

Talking to myself

THE ONLY PERSON ON EARTH

I HAVE BEEN COMMISSIONED TO SAVE

Talking to myself

Leonard E. Read



The Foundation for Economic Education, Inc.
Irvington-on-Hudson, New York 10533 1970

THE AUTHOR AND PUBLISHER

Leonard E. Read, author of numerous articles, has written the following books:

Romance of Reality (o.p.)
Pattern for Revolt
Students of Liberty
Estudiantes de la Libertad
Outlook for Freedom (o.p.)
Government: An Ideal Concept
Governo Um Concito Ideal
Why Not Try Freedom?
¿Por Que No Ensayar la Libertad?
Elements of Libertarian Leadership
Anything That's Peaceful
Todo Por la Paz
The Free Market and Its Enemy
El Enemigo del Mercado Libre
Deeper Than You Think
Accent on the Right
The Coming Aristocracy
Let Freedom Reign

The Foundation for Economic Education is a nonpolitical, nonprofit, educational institution. Its Senior Staff and numerous writers are students as well as teachers of the free market, private ownership, limited government rationale. Sample copies of the Foundation's monthly study journal, *The Freeman*, are available on request.

Published October 1970
SBN 910614-25-3

Copyright 1970 by Leonard E. Read
Permission to reprint granted without special request

PRINTED IN U.S.A.

To my long-time staff associates

DR. PAUL L. POIROT

✓

THE REV. EDMUND A. OPITZ

whose helpful scholarship and editing

I gratefully acknowledge

Contents

1. GO WHERE THE ACTION IS	1
Critics of self-improvement: "Go where the action is." Right! But where's the action? The vital difference between the techniques of destruction and those of creation. Achieving an essentially free society is a creative, not destructive, activity.	
2. KNOW THEM BY THEIR CHEERS	5
A simple way to tell whether or not our society is on course: observe what we cheer, applaud, look at, read, buy, approve. We appear now to be off course.	
3. TALKING TO MYSELF ABOUT EXCELLENCE	9
Excellence is self-achieved and can only be caught, not taught. I am the only part of society I have been commissioned to save. Magnetism, not competition, the driving force in moral and spiritual excellence. Some yardsticks and suggested aids.	

4. EDUCATION VERSUS PROPAGANDA	19
<p>Eduction, not education, the true antonym of propaganda. Ingathering process compared to carbon copy procedures. The false notion that typical citizen cannot be trusted to his own judgment. Propaganda, as all statist schemes, rooted in arrogance. Witnesses cited.</p>	
5. GETTING RESULTS—HERE AND NOW	27
<p>Activist programs have only long-range prospects. Look to best thinkers for quickest results. Instead of shushing authoritarians, encourage their talk, thus bringing absurdities into open. Recommended attitudes for devotees of freedom philosophy.</p>	
6. SINKING IN A SEA OF BUTS	35
<p>The irrationality of those who say: "I agree in principle, <i>but . . .</i>" The fallacy of gradualism. The exemplar can admit no <i>buts</i>; that's commonplace, not exemplary.</p>	
7. THE URGENCY ARGUMENT	40
<p>The tendency to see error only in adversaries. Even the best libertarian thinkers give away the case for freedom when faced with "extraordinary circumstances." Urgency a poor excuse for acting; foresight needed. The limitations of police action. Voluntarism performs wonders when not pre-empted.</p>	
8. WHY FREEDOM IS NOT TRUSTED	48
<p>The present politico-economic hodgepodge mistaken for freedom. This error spawns defectors who seek remedies in statist schemes that lead to disaster. State inter-</p>	

vention in the creative realm reduces self-responsibility and moral stature of the individual.

9. WHEN FREEDOM BECOMES SECOND NATURE 56

We know the answer to six times seven; no thinking is required; it is second nature and no longer a problem. Freedom concepts are new, not ingrained, and easily lost; we don't *know* them. Only when the facts and principles of freedom are second nature will freedom be secure.

10. GETTING TO KNOW BEANS 62

Coercive fixing of wage rates leads to mischief. The case for labor—physical, intellectual, spiritual—as a commodity. Let labor go to market as does a bag of beans. Instead of forcing wages down, competitive pricing gives everyone full value for services rendered.

11. GAMES WE PLAY WITH LABOR 71

Labor a prime and scarce factor of production, the essence of private property. A launched rocket is labor launched into outer space and oblivion—divestment rather than investment. We're on a divestment spree. Take-over of this resource by government and labor unions results in unlimited power positions, the control of which is avidly sought. Never trust more power to a friend than to an enemy.

12. THE DILEMMA OF VALUE 81

The peaceful way of determining value vs. the coercive way, that is, the labor or “objective” theory vs. the

"subjective" or free market way. But such labels as "subjective" and "marginal utility," useful to the professionals, are stumbling blocks to apprehending a simple idea. Merely practice freedom and true value is *automatically* revealed.

13. DON'T THROW OUT THE BABY 89

The open as distinguished from closed road to wealth. The road is closing. Moral purpose of wealth is not for escape from life or for overindulgence. Rather, it is to free individuals from the slavery poverty imposes, allowing a pursuit of their own unique potentialities. Don't abandon the open way in attempt to correct abusive uses of wealth.

14. THE RIGHT TO DO AS I PLEASE 98

The extremes of doing everything one pleases and nothing one pleases. Political labeling no indicator of where one stands on this spectrum. Man, at once social and individualistic, must find what he owes others; beyond this he may do as he pleases. Some examples, and a suggested rule of action.

15. REFLECTIONS ON THE GUILT COMPLEX 104

Support of socialism by affluent individuals often attributed to a guilt complex. Such apostasy exposed and explained. The mischievous linkage of success with guilt.

16. FORGET THE COMMON MAN 108

To put faith in "the common man" is to rely on nothing—he doesn't exist. Look, instead, to the thoughtful and self-responsible man. Forces working against self-responsibility and denying a man his dignity.

CONTENTS	ix
----------	----

17. ONE BIG STRONG ORGANIZATION	113
---------------------------------	-----

For the sake of efficiency and effectiveness, so it is argued, all antisocialistic, profreedom institutions should be merged. The fallacy of an ideological conglomerate. Only from an interplay of minds and facts is truth revealed. Required is a personal, not organizational, approach.

18. LUMP THINKING	119
-------------------	-----

Lump thinking—putting everyone in ideological pigeon-holes—obscuring truths issuing from adversaries and fallacies advanced by friends. Why it is wrong to refer to oneself as a libertarian.

19. THE DECADENCE THEORY OF REFORM	123
------------------------------------	-----

“The situation must get worse before it can get better.” Flaws in that argument. “The situation” out there is unreal; each must look inside himself. Any time he awakes to his problem, he may try to correct it. Thus do individuals “reform” society.

20. HIGH TIME TO AWAKE	128
------------------------	-----

Rampant inflation upon us. Its nature, cause, and consequence. Excessive government and its cost. Monetization of Federal debt. Examples in history. Government affords no cure; that comes from individual awakening.

21. READ'S LAW	135
----------------	-----

“No politician can fly higher in office than he flew while getting there.” Freedom is high; socialism is low.

Officeholders can act only as long as they have popular support. Voters not to be fooled into a better way.

22. THE "FREEDOM"
THAT LEADS TO SLAVERY 140
Imposed servility vs. denial of self-responsibility. The kept man is enslaved. A Napoleon always in the wings. Self-reliant individual will be free.

23. THE FICTION KNOWN AS "WE" 144
The beginnings of Creative Wisdom—trillions of tiny insights. Ideas "out of the blue" to be sought earnestly and humbly. Not "planned progress" but the open society.

24. CIVIL OBEDIENCE 151
The growing anarchy a reaction to growing socialism. Emotional, not rational. When is one warranted in breaking law, even immoral laws? Several criteria cited, and rejected. Respect law and order so long as free to speak and write. Repealing bad law, not breaking it, requires special talent. Anyone can be an outlaw.

25. PATIENCE! IT'S BRIGHTER
THAN YOU THINK 156
Instant reversal in trends an unrealistic expectation because ideas are not instantly perceived. Ideas, before becoming one's own, go through varying periods of gestation. But observe what's in the making!

INDEX 163

I suggest that you preach truth and do righteousness as you have been taught, whereinsoever that teaching may commend itself to your consciences and your judgments. For your consciences and your judgments we have not sought to bind; and see you to it that no other institution, no political party, no social circle, no religious organization, no pet ambitions put such chains on you as would tempt you to sacrifice one iota of the moral freedom of your consciences or the intellectual freedom of your judgments.

—ISAAC SHARPLESS
to the graduating class of
Haverford College, 1888

1

Go where the action is

STRANGE as it may seem, FEE receives more criticism from “conservatives” than from out-and-out “socialists.”¹ You’d expect it to be the other way round. Why isn’t it?

Certainly, it’s not because those we call socialists find anything to agree with in the freedom philosophy as we define it; far from that. They have it made, or so they think; why give any heed to such a minority point of view!

Nor is it because our “conservative” critics necessarily find flaws in our philosophical position. Rather, they disagree with the method we commend to advance the practice of freedom, namely, a concentration on improving the understanding and exposition of each freedom-loving individual. These “conservatives” phrase their scoldings in countless ways, the most pointed being, “Why don’t you go where the action is!”

It so happens that we agree with their admonition; we

¹ Quotes are placed around these labels because they are names people call themselves or others; they are but fictions, explained in a later chapter.

should, indeed, go where the action is. But *where* is the action? Our critics think it's out yonder—external, where others are—whereas we believe it's internal, inside each one of us. They insist on reforming the ignoramuses; we say let's look to the flaws in ourselves and see what can be done about that. When the objective is at the high level of individual freedom, the real action is within the individual—not out yonder, not at all.

If they be wrong and we right, there is an explanation for their error. It is quite simple: they fail to draw the distinction between methods useful for destructive purposes and those having creative potentialities. Warfare, for instance, is destructive. If you want to go where the action is, where do you go? To where the confrontation is: the battlefield. Strike them down! Enlightenment, on the other hand, is in the creative realm. If you want to go where the action is, where do you go? Again, to where the confrontation is: between the self as is and the higher self that might be. Build *me* up! The tactics effective in attaining destructive ends remain destructive regardless of the objective. Guns are not useful for catching ideas!

But we need not turn to warfare to illustrate destructive activity. All actions and all ideas inimical to a free society are destructive.

Certain methods have an impressive record of achievement when the purpose has been to destroy freedom. All of them are outgoing, exertions *at* others, pushful suasion; they range all the way from selling-the-masses propaganda, to pressure group activity, to name-calling, to political promises, to deceit, to intimidation and terror.

"Conservatives" who do not grasp the nature of this problem observe how effectively these tactics "work" in attaining socialistic or interventionist ends and see no reason why the same tactics won't achieve their ends. The fact that the end they have in view is diametrically opposed to the socialistic end does not seem to warn them that "the end pre-exists in the means"; that the tactics in each case must be consistent with the ends.

Consider our end or objective: an essentially free society. Upon what does its possibility rest? Our aspiration is out of the question unless there be numerous citizens of an intellectual, moral, and spiritual quality to set a sufficiently high standard, to serve as pattern-setters or exemplars. There must be men and women who not only understand why self-responsibility and individual freedom work their wonders, but also men and women who put these virtues into daily practice.

When the trend is away from, not toward, a free society, it is axiomatic that the drift is marked by a decline in human virtue. The trend in the general societal situation, for better or for worse, is merely a register of the drift, one way or the other, in personal quality. What is called the social problem boils down to the matter of *individual emergence*.

Individual emergence is not and never will be accomplished by imposition. Not one of the tactics effective in destructive programs is useful here; indeed, these out-going, reforming efforts do more harm than good. It is difficult enough for oneself to emerge as a better person; impossible to force such change in another. Emergence is exclusively a self-help project; the change is internal, not external.

Granny's Method

A remark by our great grandmother comes to mind. At the age of 102 she had been gently reminded, "Granny, you're talking to yourself again." She replied, "At least, I'm talking to a sensible person."

And, what's wrong with that? She was working on the right person, and shared her reflections with anyone who chose to listen.

The present situation may require more and better probing, introspection, talking to ourselves, more skillful sharing than experienced by Granny or, perhaps, by others before us. But it is doubtful that the method can be improved.

The following chapters are reactions to, assessments of, and reflections upon a few of the ideas and notions, bearing on the practice of freedom, which have, during the past year,² struck me favorably or unfavorably. As the reader will note, they are rather varied and may appear as unrelated to a connected theme. In the sense that they are but fragments of the greatest theme there is, yes. Nonetheless, it's these ideas and notions which have recently agitated me—got me talking to myself. Should they inspire some others to do a bit of the same, then this book will have accomplished all I have in mind.

² Exceptions: "One Big Strong Organization" and "Lump Thinking" were written in 1959.

2

Know them by their cheers

EVERYTHING that happens, whether seemingly good or bad, has a lesson to teach us—if we can discern it. So, if our aim is to learn, we must look everywhere and to everyone for enlightenment. When everything that happens is our textbook, happenings are to be observed and rightly read.

These verses, for instance, came “out of the blue” and their author is unknown to me:

Fueled by a million man-made wings of fire,
The rocket tore through the sky . . .
And everybody cheered.

Fueled only by a thought from God,
The seedling urged its way through the thickness of black.
And as it pierced the heavy ceiling of the soil
And launched itself up into outer space . . .
No one even clapped.

Not everyone cheered the moon venture, of course, or failed to note the miracle of the emerging seedling; such poetic license may be forgiven. But these verses do carry a

message—reveal a simple method for checking our bearings.

A captain of a plane in flight or ship at sea is constantly checking his bearings; his is the responsibility for staying on course. To get off course is to court disaster.

Is our society on course?¹ Are we headed toward or away from man's destiny? It has been rather difficult to make any generalized assessments of this kind for, unlike a plane or ship, society has no magnetic compass or electronic gadgetry to check bearings. How is one to tell whether or not society is following a proper course?

What the unknown poet says to me is that we can take our bearings and determine our heading by merely noting what sort of things we cheer and which ones we fail to applaud. This should be compass enough for any captain.

Granted, my idea of a proper heading stems from a set of convictions concerning human destiny. These are conclusions based on reasoning as rigorous as I can make it, and they imply that there is a direction from which mankind cannot veer without courting disaster. I posit a Divine Intention for man. However, if there be no such higher goal for man—if earthly life is but a willy-nilly affair “without rhyme or reason”—then there can be no heading or direction. In that event, we would have no need for a compass by which to check our bearings.

I would draw precisely the same conclusion if the destiny of man were presumed to be any one of the destinations

¹ In reality, society doesn't head anywhere; only individuals head this way or that. But individuals who fail to reason for themselves “think” in herds, and their headings, if wrong, destroy the social structure. It is instructive to know where the great majority—“society”—is heading.

countless aspiring leaders would impose upon us. Such masterminded schemes lead, willy-nilly, to nowhere.

The long-range destiny of humanity is growth, emergence, evolution, and, to the extent this takes place, to share progressively in Creation. Phrase it as you will, this is the way I see the Cosmic Scheme.

This growth, such as it is, manifests itself in discrete individuals; some experience it and others do not. True, we help each other along the way; indeed, without such help we could get nowhere. But the relationship is first and foremost between man, singular, and this out-of-reach Ideal. This, according to my belief, should be the heading, and any veering from it is off course.

Recognizing Error

It's one thing to be aware of the proper heading. It's quite another matter to recognize the kinds of actions that take us off course.

Tens of millions cheered the moon venture; only a few withheld applause. What does this reveal as to our heading? We are off course! Science is our glory and our god! Man is impressed with his technical breakthroughs, many made possible by coercive means—the substitution of dictatorial power for free choice. The man-in-charge decides how your resources and mine are to be employed. Each his own man? Hardly! Someone else is rapidly taking control of my affairs—and yours.

Only a few applaud or stand in awe of Creation, while tens of millions take no heed. A seedling shafting into space

or a microscopic sperm and ovum finalizing in the mind of a Socrates or an infinitude of similar miracles are taken for granted and forgotten. Mankind on the throne, impressed only with itself. What does this reveal as to our heading? It confirms the other reading: we are off course!

I would say that we head in the wrong direction whenever we condone any collective action to feather some nests at the expense of others—whether by government, labor unions, chambers of commerce, or whatever. Any restraints against the release of creative human energy take us off course, and this includes the forcible confiscation of the individual's resources to gratify such man-concocted schemes as medicare, social security, public housing, subsidies, moon shots, wage and price supports, barriers to free entry and competition, and so on. We're off course any time any peaceful individual is denied the full use of his own faculties and resources.

If we want to stay on course, we need a compass—a signal system that permits easy reading. What are the signals?

The signals are cheers. We're heading toward whatever is cheered. By the "cheering" I mean to include what is approved, what is bought, what is listened to, what is read, what is worshiped, what commands our pride.

Are we cheering the rockets? Then we're going to the moon and Mars.

Do we pay no heed to the miracles of Creation? Then we've lost the way.

There is a reason why I talk this way to myself: it helps me to stay on course.

Talking to myself about excellence

LITTLE if anything is to be gained by advising anyone else about the pursuit of excellence. The manifold drives that spur people in this direction are so mysterious, varied, and intimately personal that about all one can do is to reflect upon, ponder, and, hopefully, strengthen his own drives. I note, however, that those who experience a modicum of success sometimes set a style—that is, they serve as pacesetters or exemplars. This quality of excellence can only be caught; it cannot be taught, for it is strictly a self-help problem requiring introspection.

If trends in society appear to be askew, a man's best recourse may be to talk to himself—attempting to discover ways and means to overcome countless personal imperfections. I must examine myself, for the unexamined life is not worth living—as Socrates reminded us. Too small a project? No! *I am the part of society that I have been commissioned to save.* And this is the biggest project on earth!

What is it that's askew, the remedy for which is the pursuit of personal excellence? The problem is that multitudes

of us have as our primary goals, not excellence, but the gratification of ordinary appetites on a day-to-day basis: food, drink, sex, merriment and diversion, fame, fortune, and other forms of ostentation. Lives thus limited rarely find satisfaction beyond the gratifications experienced by the higher animals. The distinctive attributes of being human appear to have been neglected.

The evolution of man correlates with the acquisition of human attributes—growth in awareness, perception, consciousness, the power to reason, to will one's own actions, and to think long-range. In this sense, human evolution and an expanding personal excellence are one and the same.

True, no man has made the grade entirely, nor is it likely that anyone will. Excellence is an aspiration; it is never an achievement except in a comparative sense: excellent relative to other imperfections. Thus, no mortal man is ever warranted in declaring, "If it's light you seek, be as I am." The only sensible pronouncement is this: "If it's light I seek, then I must look to the light myself, that is, *I* must pursue excellence."

While any advance toward excellence is personally rewarding, it also is socially rewarding. I prefer to live in an improving society, but this is impossible unless there be improving individuals. Thus, if regress seems to predominate over progress, my best hope to change the situation is through self-improvement.

Rgress? The current trend poses a problem of the first magnitude in political economy. Those among us who let their animal appetites serve as life's prime ambitions appear to be a majority, each having a vote. Politicians who prom-

ise them what they want are easily elected to positions of power over the resources of everyone. When this situation governs, justice is out of the question, an essentially free society impossible. If this fails to satisfy me, what can I do about it? I can strive for excellence. How to go about it is the eternal question.

With respect to gadgetry, free market practices, such as free entry and competition, serve to bring out technical excellence. Compare a 1970 auto with the horseless buggy of 1900, or a jumbo jet with the Wright Brothers' motorized kite; note the improvement in can openers or pencils or dishwashers or whatever.

The Role of Competition

But when it comes to intellectual, moral, and spiritual excellence one of the drives that applies to material things is lacking: competition. As to free entry, all the bars are down, far more free than in today's business world. Anyone is free to embark on the pursuit of righteousness.

Competition, as presently observed in many social affairs, seems confined to political activity. Educational, religious, labor, business, and organized interests of all kinds fiercely compete for taxpayers' resources—a competition in plunder!¹

¹ While competition doesn't seem to spur moral excellence, it is an undisputed fact that a morally excellent people can and do win in competition against those lacking such excellence. See the chapter, "Notes on the Evolution of Systems of Rules of Conduct" in *Studies in Philosophy, Politics and Economics* by F. A. Hayek (Chicago: The University of Chicago Press, 1967).

Perhaps we should not look for competition to spur us toward excellence as related to the higher human attributes. Rarely do we observe people trying to outperform one another in righteousness, for instance. Nor are we likely to see it. Competition is largely confined to the realm of man-to-man actions and reactions. The excellence I have in mind seems to be in the spiritual realm. Without discounting the light we receive from each other, past and present, excellence is aided and abetted by man striving for an out-of-reach Ideal. Competition is not what motivates this striving; another force is in play: *magnetism and each individual's response thereto!*

As I look back upon the course of evolution over several billion years, I see this earth beginning as a hot glob of gas; its gradual cooling; the appearance of plant life and animal life, emerging from low to higher and higher forms. Until quite recently, in geologic time, man had no part in this emergence: he wasn't present! I have no better words to give this Phenomenon than Creation, Infinite Consciousness: God. Nor can I conceive of any explanation for this Mystery except a fantastic magnetic force: attracting, attracting, forever attracting. A Creation, infinitely beyond the mind of man, has been at work—and continues, eternally!

While no advanced scholarship is required to discern Creation eternally exerting its attractive force, a confirmation by a noted scientist and scholar makes me feel more certain of my ground:

All the phenomena of astronomy, which had baffled the acutest minds since the dawn of history, the movement of the heavens, of the sun and the moon, the very

complex movement of the planets, suddenly tumble together and become intelligible in terms of the one staggering assumption, this mysterious "attractive force." And not only the movement of the heavenly bodies, far more than that, the movements of earthly bodies, too, are seen to be subject to the same mathematical definable law, instead of being, as they were for all previous philosophers, mere unpredictable happen-so's.²

That I might listen to the acknowledgment once again, I asked a top electrical engineer to define electricity. His reply: "Are you kidding?" And he would make the same response if asked to define magnetism or Creation. This leads me to the conclusion that we are limited to observing these mysterious forces and the wonders they work, to harmonizing our own actions with them, and thereby bettering our lives. We understand them in terms of what they do, not in terms of what they are.

As to magnetism, I reflect on an ordinary magnet. I know what it does, but no one can define what it is that so mysteriously performs. The magnet exerts an attracting force whether or not there is anything within its range of a quality that can respond to its attraction. Grains of sawdust, for instance, do not respond; iron filings do. The quality of the object makes the difference and determines responsiveness.

Similarly, Creation perpetually exerts its attracting force and accounts for all the evolution that has occurred.

² See *Science Is a Sacred Cow* by Anthony Standen (New York: E. P. Dutton and Company, Inc., 1950), pp. 63-64.

Creative Response

Let me now reflect on man and his evolution in awareness, perception, consciousness, righteousness, his powers to reason and to will his own actions—the emergence of his distinctively human attributes. Some persons, as the sawdust, are seemingly unresponsive to this attraction. Others are slightly responsive, still others more so. The few to whom we refer as creative thinkers are more sensitive to this force; they are reactive to it and, consequently, are superior respondents.

Assuming as I do the existence of Creation's mysterious attractive force—this power that draws us forward and upward—the problem I face is to become more responsive to it. If I find myself as nonresponsive as a grain of sawdust, how can I change myself, alter my quality, so as to be drawn toward it?

I am convinced that man's move to excellence—his realization of those attributes distinctively human—is determined by the responsive qualities he possesses. Obviously, it is not within my power to increase, diminish, or in any way alter Creation's attractive force. That is the ultimate given! But subject to my will, at least to some extent, is the power to enhance my responsiveness to this force.

An important aspect of the power to thus alter oneself is an awareness of this relationship of self to Creation. At first blush, this does not appear to be right for we observe numerous individuals who are highly responsive to this force, though they show no awareness of it and would label the very idea of any such relationship as nonsense. In a word,

their awareness is no greater than that of the iron filing drawn to the magnet; yet, as the filing, they are drawn. So, they were born that way—inheritances. Each of us is born with certain distinctive qualities; some highly endowed, some not.

However, my concern is not with inherited qualities. These are beyond our control; we have nothing to do with them. Rather, my interest relates to what I can do with what I possess. And I believe this might well be the concern of highly endowed individuals. While many of them do not know it, they, too, have room for improvement. True, these few tower over most of us as the Eiffel Tower over neighboring buildings. But just as the sun is virtually equidistant from the Eiffel Tower and the lowly buildings which surround it, so the difference between the best and worst of us is negligible by comparison with the width of the gap which yawns between any of us and the highest conceivable standard of excellence. Each of us, the most brilliant included, is barely off the ground.

Awareness of this relationship between self and Creation is the first step toward growth in excellence, regardless of how low or high the starting point. Why? Unless the first step establishes an ideal forever beyond one's reach, a person will constantly be precluded from taking the second step: thinking long-range. Henry Hazlitt correctly observes:

The art of economics consists in looking not merely at immediate but at *the longer effects of any act or policy*; it consists in tracing the consequences of that policy not merely for one group but for all groups.

Looking long-range applies equally to all phases of intellectual, moral, and spiritual achievement, not merely to proficiency in economics.

The individual who can and does think long-range weighs, as best he can, every personal act and policy as if he were to live forever. He refuses to commit any act or take any position at any point in time which would not, in his view, stand the test of time—all time. Long-range thinking brings another virtue to the person: he is guided by the principle of universality—that is, he will partake only of those actions he is willing to concede as proper when performed by any other human being.

These two initial steps point the way to excellence. From here on it is a matter of developing the disciplines and the energy for the all-too-rarely explored and difficult climb.

No progress can be made in the climb short of a devoted, dedicated, prayerful desire that it be successful. This venture toward excellence will brook no indifference; it can never be made a second-place undertaking; it comes first or not at all!

Essential to keeping one's eye on the climb is getting all of life's daily chores into the past tense as quickly as possible. No one can engage in the concentration required for this venture if his desk or mind is cluttered with a plethora of unfinished business, that is, if one has to wade through or around junk piles. The view ahead must be as unobscured as one can make it.

If the daily chores are done and the dedication strong enough, then the first of the attributes distinctively human will more than likely emerge: *an ability rationally to will*

*one's own actions.*³ This is known when one ceases to be merely reactive to environmental influences and compulsions; taking its place is self-determined action. Instead of permitting others to do one's thinking, each person thinks for himself. In a word, he becomes his own man!

It is only as one becomes his own man that the higher ideas and ideals flow into the mind for refinement. From whence? I do not know any more than I know the secrets of Creation. I only know that the human attribute we refer to as creativity is not found in those whose thinking is done for them.

Ideas and ideals as they first impinge upon the consciousness are as raw ore: useless until refined. Refinement consists of thinking them through, embellishing them with explanatory word structures. Each idea and ideal as thus treated is a step in the climb to excellence. And as each step is taken, new insights appear for succeeding steps. The more aware one becomes, the more there is to be seen—an ever-expanding vista.

Ideas and ideals as they come to mind are, for the most part, flighty things—evanescent as dreams. "The infant mortality of newborn ideas is enormous."⁴ Thus, the rule must be instant recording; never let one escape. And there is another rule: immediate refinement. As with daily chores, think through a new idea right now in order to avoid

³ For several suggested exercises that occasionally prove helpful in willing one's own actions and in expanding one's awareness, see my *Elements of Libertarian Leadership* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1962), pp. 156-159.

⁴ Russell Dicks.

mental clogging. Numerous raw ideas swarming around in the mind lead to confusion rather than to constructive thought.

Refinement is best done by writing, a severe taskmaster. Through the eye, let the mind see what's there by putting the idea into words. Let no one say: "The idea is as clear as crystal in my mind, but I can't express it." Whatever is clear in the mind *can* be expressed clearly. Fuzzy writing merely reflects fuzzy thinking; clear writing confirms clarity of thought.

Finally, it is wrong to think of this venture toward excellence as a departure into a lonely, esoteric, unworldly area. To the contrary, it is of no account except as integrated and made a part of every phase of day-to-day living and relationships. It is an improved way of living life—that's all. Who knows? A modicum of success may set a style! But that should not be the objective. First, seek excellence in truth and righteousness; then these things, such as setting a new style, come as the dividend—an old, old Truth.

4

Eduction versus propaganda

ANY TIME I get it into my head that my role is to set others straight or any time we as a people believe we should run the world, then count on it, we'll brush up on how to become effective propagandists rather than concentrate on how to become proficient eductors. This latter term is seldom used, possibly because we rarely reflect upon its implications. Yet, eduction versus propaganda poses a fundamental issue of our time, perhaps of all time.

If this is indeed the great issue, then we may infer that, by and large, we are authoritarians at heart. For, wherever one turns, the emphasis is on propaganda, as much by clergymen, teachers, and other platform lecturers as by radio, TV, press, and government spokesmen. Countless would-be leaders concentrate on how best to "reach the masses," in order to make us over in their images.

Reflect on the distinction between propaganda and education.

Propaganda is, "any organization or movement working for the propagation of particular ideas, doctrines, practices, etc." In a word, it is an outgoing exertion, an ideological

or philosophical injection type of endeavor; it's the influencing-of-others ambition in practice; it reveals the little-god syndrome.

The term education cannot be used as the antonym of propaganda; it is more a synonym, especially these days!

Eduction, not education, is the true antonym of propaganda. It has its root in the Latin *educere* which means, "to draw out; elicit; evolve . . . to deduce; infer from data." Eduction is an extracting process, a talent-developing exertion; it is a self-realizing type of endeavor.

Propaganda can be likened to a spraying operation, each propagandist attempting to invest numerous others with his assumed knowledge and wisdom. Eduction, on the other hand, is a stimulative or catalytic effort, each eductor attempting to maximize enlightenment from its sources, wherever and whatever they may be.

Perhaps the folly of propaganda and the virtue of education can be highlighted by reflecting upon the ways of Nature.

Next to Creation itself, the sun is our source of energy. Observe how trees and other forms of earthly life reach out for the sun that they may better extract its life-giving forces. And water is vital to existence. Note how plants, rooted in the soil, drink the moisture, an ingathering maneuver.

Were Nature to perform as do propagandists, we might expect that trees, instead of reaching for the sun, would attend to the photogenic needs of other trees—and die in the process. Each blade of grass would concern itself with the moisture content of other blades of grass—the end of

grass. Nature, instead, seems to expect the individual to educe and evolve and survive through fitness, to the upgrading of the species.

Look to the Light

I suggest that this recourse to Nature is not farfetched; there are lessons here for us. Man, no less than other forms of life, if he is to grow, emerge, evolve, must reach out for the sun; his eye has to be searching for sources of enlightenment—each man his own eductor! Nothing is more absurd than man the propagandist: each man trying to make other men carbon copies of himself. No wonder so many of us are smudged!

Select any one propagandist; then of a sudden, let everyone be cast in his mold, no variation whatsoever. In a word, let this man be 100 per cent successful in achieving his aims. What would happen? First, everyone would be an identical propagandist, mechanically repeating his infinitesimal knowledge and wisdom. Second, there would not be one iota of human growth. And, third, the entire population of earth would perish in a matter of weeks, just as you would if you tried to live on this earth all by yourself.

In this illustration of the propaganda approach to the better life, let's assume the most knowledgeable and wisest among all propagandists. What we must recognize, even though he does not, is that he, as everyone else, is virtually a know-nothing—just another blade of grass, to use the Nature analogy. To the extent he succeeds in his impositions, to that extent does he invoke disaster. Granted, this

know-nothing status may be one of the most difficult concessions for anyone to make, particularly if one happens to be a mite brighter than the mill run of us. The propagandists evaluate themselves relative to the ignorance they observe around them, not relative to what they have yet to learn.

The reason for the propagandists' sorry plight seems clear. They see what has already come within their ken; they cannot see what is outside their present purview which, of course, is infinite in its dimensions. Bright, perhaps, but they are blind to what is still unknown to them, and this unknown dramatically dwarfs the known.

True, an eductor cannot see what has not hove into his view any more than can the propagandist, but the eductor is aware of the unknown or he wouldn't continue to reach for the sun.

In previously referring to the term education, particularly as used today, as more a synonym than an antonym of propaganda, I have in mind the collectivistic, statist, authoritarian doctrines that are *advocated* by professional "educators." That such doctrines should be explained is conceded. But out-and-out advocacy, or even shades of it, is nothing less than propaganda; it is not education in its best sense; certainly, it is not eduction.

Parenthetically, these comments purposely omit any reference to the kind of instruction appropriate to children, although the propagandists are disastrously at work on them also. I am concerned here with propaganda, education, and eduction as related to adolescents and adults—those who have reached an age when some sense of self-responsibility should begin to blossom. Conceivably, if we get our think-

ing straight on this phase of the problem, it will begin to straighten out as related to children. After all, it's the older ones who have the say-so as to what's served up to the youngsters.

Learning by Choice

Limiting our concern to those who are presumed self-responsible, I say away with propaganda—all of it. Let the reliance be solely on eduction, that is, leave it to each person to turn his eye to any or whatever lights he chooses. Permit him to be his own eductor; to educe, drink in, infer from available data, as he pleases. For there is Truth; and man, for all his false starts, has some inclination to seek it.

The rebuttal to this idea of letting self-responsibility do its work can come only from propagandists: "The average citizen can't be trusted to turn his eye aright." This is the voice of the little-god syndrome, the message of the carbon copiers.

Make the complimentary concession that I have managed my own life better than some others who might be found. *It does not follow that I can manage their lives better than they can!* Any assumption to the contrary is founded on pure arrogance, not reason. To test the validity of this contention, merely put yourself in that someone else's shoes. No need to await your answer; it is already known to me.

The whole collectivistic, statist, authoritarian position has its roots in arrogance, not reason. And anyone addicted to the propaganda approach, regardless of what ideological or political label he pins on himself, is on the authoritarian side, whether he realizes it or not.

The eductor, on the other hand, is on the side of freedom. His way and freedom are absolutely in harmony—compatible, as we say. There are countless reasons why this fact is so unappreciated and why this way of life is so little traveled. For one thing, it's a break with tradition; it flies in the face of all the authoritarianism that has marked human experience. Freedom is a high aspiration requiring hard and conscientious thought, an effort that bumps into countless daily distractions. Man more often than not is a creature of impulse, yielding easily to this or that fad or foible—*environmental* intoxications.

Only reason, an ever-elusive faculty that requires continuous cultivation and use, can save the propagandist from himself—turn him into an eductor and put him on the side of freedom.

Witnesses

It is doubtful if anyone is capable of accepting, let alone adopting, the self-improvement thesis who does not first recognize how nearly a know-nothing each of us is. I find that confessing this about myself during Seminar lectures often evokes immoderate refutation. "This simply is not true of you," they stoutly insist.

For some time it puzzled me that these people were so deeply concerned about my personal confession. Then I began to hear what they meant: "If he thinks this of himself he must, perforce, be thinking the same of us." Let them be their own judges!

There is nothing original in acknowledging how little

one knows and how such an awareness drives one to know more. It's an age-old theme put forth by those who seem to me to have some light to shed.

PROVERBS 16:18-19 (circa 900 B.C.)

Pride goeth before destruction and an haughty spirit before a fall. Better it is to be of an humble spirit with the lowly, than to divide the spoil with the proud.

CONFUCIUS (557-479 B.C.):

Not to enlighten one who can be enlightened is to waste a man; to endeavor to enlighten one who cannot be enlightened is to waste words. The intelligent man wastes neither his man nor his words.

SOCRATES (470-399 B.C.):

That man thinks he knows everything, whereas he knows nothing. I, on the other hand, know nothing but I know I know nothing.

MOSES MAIMONIDES (1135-1204):

Teach thy tongue to say I know not, and then thou wilt progress.

MONTAIGNE (1533-1592):

God save us from the man who wants to save us. Reform only yourself; for in doing that you can do everything.

SAN PEDRO OF ALCANTARA (circa 1550):

May your Lordship not torment yourself: there is a remedy for this deluge of crimes. Let us be, you and me, that which we should be. There will be two less souls to convert. Let each person behave thus: it is the most efficacious

of reforms. The trouble is, that no one wants to correct himself and everyone meddles at correcting others: thus everything stays as is.

ABRAHAM LINCOLN (1809-1865):

. . . assume to dictate to his judgment, or to command his action, or to mark him as one to be shunned and despised, and he will retreat within himself, close all the avenues to his head and his heart; and tho' your cause be naked truth itself, transformed to the heaviest lance, harder than steel, and sharper than steel can be made, and tho' you throw it with more than Herculean force and precision, you shall no more be able to pierce him, than to penetrate the hard shell of a tortoise with a rye straw.

Such is man, and so must he be understood by those who would lead him, even to his own best interest.

Doubtless, it is the fantastic burst in technical know-how—science—with its unprecedented material satisfactions which accounts, in some measure, for today's wholly fallacious notion that we are wiser and better than the wisest and best of our ancestors. "We live in a changing world about which our knowledge is incomplete, and we are finding that the key to civilization is not technology but wisdom."¹

The wiser we are the greater is our exposure to the infinite unknown; noting this, we become more and more aware of how far from wise we are. Perhaps this awareness is the form in which wisdom comes to us.

¹ *The Royal Bank of Canada Monthly Letter*, January, 1970.

5

Getting results—here and now

DEVOTEES of the free society who lend assistance to and co-operate with FEE's do-it-yourself educational effort have, for the most part, done so on the grounds of its long-range possibilities—a thought for our children's children, the far-off future. And those who have turned to so-called activist programs have done so not necessarily out of ideological disagreement with the ideas on liberty espoused by FEE but, as they put it, "We want results now!"

Always skeptical of activist efforts, I have, until this moment, agreed that our own work has only long-range prospects—preserving the remnant, as it were. Now, I see it the other way round: the chance of getting results here and now lies exclusively in the study and exposition of ideas on liberty; so-called activist programs afford only long-range prospects, at best. That's quite a switch and requires an explanation.

Reflect on these words by Professor F. A. Hayek:

We at least believe that we have attained an understanding of the forces which have shaped civilization

which our opponents lack. Yet if we have not convinced them, the reason must be that we have not yet made explicit some of the foundations on which our conclusions rest. Our chief task therefore must still be to improve the argument on which our case for a free society rests.¹

Such an acknowledgment of imperfection would hardly be impressive coming from most of us. But here we have it from one whose scholarship, insights, creative thinking, and learned works are unexcelled and whose lifelong efforts have been dedicated to the free society. A luminary, if not the star among us, he points the finger at his own lack of attainment, along with yours and mine. In a word, we simply do not know adequately how to make the case for that way of life to which we aspire. My "Amen," for what it's worth!

The Quarrelsome Level

I might claim one dubious advantage over Hayek: I suspect I'm personally acquainted with more devotees of the free society than either he or anyone else. And what I observe is disturbing: the supposition that ardent opposition to all authoritarian systems qualifies one as an expert on freedom! Persons who thus assess themselves simply have not probed far enough to discover the vastness of the unknown; hence, they are cocksure of their competence. Confining themselves as they do to the negative side of the issue, they can only declaim against the faults of socialism; they are unable to explain the merits of a free society and the

¹ See *What's Past Is Prologue* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc.). Copy on request.

wonders wrought by it. *They are mired at the quarrelsome level.* Indeed, general proficiency in the freedom philosophy is so low that any person with but slight understanding and powers of exposition stands out head and shoulders above the others. In this situation, one doesn't have to be very good to be outstanding!

Not a man among us, however, is entitled to look down his nose at any other; scarcely anyone has more than scratched the surface, this being Hayek's point. And there are reasons aplenty: the complexities of this subject are akin to the mysteries of Creation. The free society, as best I can define it, is that state of affairs where there are no man-concocted restraints against the release of creative human energy. Using this definition, freedom is a nonprescriptive way of life; there isn't any design or plan to which we may refer; we might call it a nonsystem.

How, then, can one describe the way a nonsystem will work? An observation attributed to a little boy comes to mind: "Thinking is when you shut your mouth and your head begins talking to itself." Who can figure out what the outcome of that will be! None of us can, any more than any of us can foresee the workings of Creation—or predict the wonders of freedom. But we can observe, to some extent, what Creation has done, and we can take note of what happens when a society has been essentially free. Such observations can serve as the basis of a faith in freedom and, thus, as a stimulus for the restoration of freedom. It must be somewhere in this area that imaginative and creative work has fruitful possibilities. In any event, if the plunge into coercive collectivism is to be reversed during our lifetime, it

would seem to depend on the proficiency of these few who can do creative thinking, writing, talking. Each of us should make every effort to be numbered among them for, as I shall try to demonstrate, only more proficient persons can bring about results—here and now.

Surges of Progress

Here's a sketchy reading of the way history reports the coming and going of freedom. Whether or not we live to see it, we need never despair about the restoration of an essentially free society—somewhere, sometime. Freedom is consonant with human destiny, and must prevail if man does. Even in the absence of noble and inspiring intellects, the commonplace rivalries, dissensions, bickerings among men insure, more or less naturally, humanity's exposure to freedom every now and then, in rhythmic fashion. The Grand Design seems to call for intermittent doses of freedom in progressive refinements—Sumer, Athens, and so on, to America—in expectation that at least a few unusually perceptive individuals will, sooner or later, apprehend the wonderful message of "this last, best hope of earth."

Let me put it this way: Averting our own decline and fall, such as happened to Rome, England, and others, seems impossible short of numerous stars of a high intellectual magnitude. However, I doubt that the *eventual* emergence of a free society rests *exclusively* on the few who understand and can present the positive attributes of freedom. There are, in addition, ordinary human forces—nonrational—which have accounted for the several emergences of freedom up to and

including its appearance in America.² It is important that we reflect upon the underlying idea.

Here's the idea as related to one significant phase of the free society:

Religious liberty is the residual legatee of religious quarrels.³

The truth of this observation, upon reflection, seems apparent. The quarrels over this or that form of a coercively imposed religion brought all of the absurdities into the open. Only when absurdities are in the open may they be apprehended as absurdities—and dropped! Expose the absurdities, and the residual legatee is religious liberty.

Here we have an example of what can be accomplished by so-called activists. But note that this nonrational activity took centuries for its achievement. It is definitely long range.

A Wave Sequence

Nonrational forces, forever at work, exert themselves as action and reaction and, viewed historically, give the appearance of an evolutionary-devolutionary movement—a wave sequence. The absurdities galore of a dark age are brought into the open, fought over, eventually seen through, and dropped. And there stand men free and unencumbered,

² See "A Role for Rationality" in my *Let Freedom Reign* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1969), pp. 9-24.

³ John Neville Figgis, British historian, pointing out that men chose toleration when fed up with fighting the inconclusive wars of religion of the sixteenth century.

at least for a brief period, historically speaking. The hope is—at the human level I can think of no other—that each brief flash of freedom will be apprehended, that is, understood and explained and preserved. The persons who can do this are the only ones who can possibly get results—here and now. In their absence, expect a decline and fall, and await another happening by the nonrational forces. These are our choices.

When the historical picture is seen in this light, and once we realize that only the self-improvement procedure has any here-and-now possibilities and that activist programs are very long range at best, numerous helpful ideas for personal conduct come to mind.

For instance, the tendency of many free society devotees is to shush the communists, socialists, and others of the opposition. If shushing isn't overtly attempted by denying them a soapbox—press, platform, or whatever—their silence is, at the very least, a pious hope. Contrary to first impression, this may be a misguided aspiration.

Open Debate

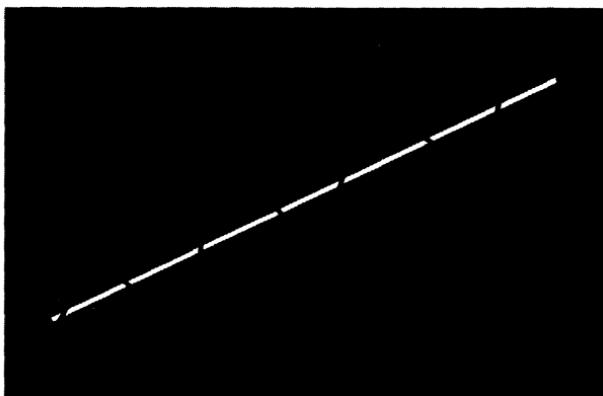
If coercive imposition—whether it concerns religion, education, business, or labor—is a hodgepodge of absurdities, then let these absurdities be brought into the open. Instead of trying to stifle the advocates of coercion, which only hardens them in their sins, *let them quarrel!* While I have no heart for this nonrational level of performance and am far too impatient to await its assuredly far-off outcome, such catholicity has these points in its favor:

1. It affords the only level at which quarrelsome folks on either side can exert themselves and, by so doing, bring absurdities into the open.
2. Free speech and free press cannot be denied to anyone without contradicting the freedom philosophy.
3. Authors of absurdities may, on occasion, see them as such when recorded in speech and print; contrarily, if obliged to suffer their absurdities in silence, they may become devoted to them.
4. When devotees of freedom argue for the silencing of authoritarians, they argue as a minority against the vast majority; thus, they are in no position to protest should the majority choose to reverse the process. Let's not make the case against ourselves.

Ours, If We Deserve It

If we cannot win the case for freedom with the channels of communication left open, then the essentially free society is destined to be the hallmark of some other civilization in the distant future. It can be ours only if we're up to it; which is to say, it's ours if we deserve it.

We can hardly expect a society without blemishes—not among imperfect men. Men's actions and reactions will forever result in inclines and declines; the evolutionary-devolutionary sequence continuing. But the way it should appear over the long pull, if I read the message correctly, is on an ascending plane, a display of unique individuality, something like this:



In a word, a low point in a later age should be above a high point in an earlier age. And whether or not this transpires will depend exclusively on the appearance of persons with an ever-improving perception and an ever-increasing ability clearly to explain what they apprehend. These are the ones and the only ones who have the remotest possibility of getting results—here and now!

6

Sinking in a sea of buts

THERE were five of us at a predinner get-together, one an Austrian. These friends were each as near purists in the freedom philosophy as one ever comes upon—which is the only reason for mentioning one man’s dissent. His dissent seemed insignificant, but it’s the minor deviations and inconsistencies of the philosophical elite—not the imitators among us—that weigh so importantly against exemplary action.

That’s the setting; here’s the talk: A free market affirmation of mine brought an immediate response from the Austrian, “I infer that you wouldn’t even approve of the Vienna Opera.” (State owned.)

“Indeed, I would not.”

“Why, Leonard!”

Following my explanation, he remarked, “I agree with you in principle, *but. . .*”

I cut him short by saying, “If you agree with me in principle, then we have nothing more to talk about.” However, in that remark I was wrong. This is precisely where the talk

should begin—with the origin of his and countless other *buts*.

To complete the background, my friend confessed the next morning, “I lay awake most of the night fretting about our discussion. While I still agree with you in principle, I find myself so emotionally committed to the Vienna Opera that in this instance I must make an exception.”

It is not my intention here to pick on socialized opera or to show how socialization of the arts is authoritarian or even how a free market for the arts gives consumers what they wish in exchange for their money. This should be apparent to anyone who has an understanding of how freedom affords justice, whereas socialism does not and cannot.¹ Rather, I wish to suggest the fallacy and the damage arising from allowing exceptions or “*buts*” to what one regards as right principle.

Emotionally Committed

I rather like the phrasing of my friend’s excuse for his deviation: “emotionally committed.” By using this term, he acknowledges that his is not a rational commitment; for one of his understanding, it couldn’t possibly be. No use explaining to him how the market works—he already knows. So do countless others who approach exemplary status! His phrasing is valuable because it brings to light a facet of the freedom problem that has been eluding us: emotional rather

¹ See my article, “Can Opera Be Grand If Socialized?” in *The Freeman*, September, 1962.

than rational commitments against which rational rebuttals are fruitless.

Among those who understand the freedom philosophy and how it works in practice will be found very few, indeed, who aren't emotionally committed to this or that practice of socialism. Nearly every one of these near-exemplars has his socialistic "thing." If it isn't the Vienna Opera, it is the Gateway Arch, this or that bit of protectionism, a subsidy that befits his convenience, or whatever. "I agree with you in principle, *but. . .*"

In the first place, I cannot allow my own pet exception to freedom without allowing others their pet *buts*. Every socialistic "thing" is someone's pet. Logically, if I break faith, then I am, by my conduct, endorsing faithlessness on the part of everyone. For me to stand for one socialistic item, regardless of how emotionally committed, is for me to give away the case for freedom; it is to open the sluice gates for all-out socialism. I cannot allow myself an exception and deny a similar allowance to others.

Freedom, as I define it, is "no man-concocted restraints against the release of creative human energy." This, in my view, is right in principle. Granted, a principle stands whether or not anyone stands for it. But whether or not I am a man of principle depends on whether I adhere to or abandon the principle. I cannot slightly defect and remain principled any more than I can slightly lie and remain truthful, or any more than I can slightly steal and remain an honest man.

Bearing in mind that we are here discussing the minor flaws of near or would-be exemplars of freedom—the actions

of the philosophical elite—the word “slightly” suggests another error common among them. It is that we must rid ourselves of socialism *but* it must be disposed of *gradually*, that is, slightly, or by a step at a time. Were it abolished suddenly, so it is argued, the shock would be unbearable, adjustments to a free society impossible.

Society Moves Slowly

This argument rests upon the unwarranted assumption that, were you or I to stand for the immediate repeal of all socialism, then immediate repeal would follow. Actually, if millions of us turned against socialism and demanded its immediate repeal, it would take years for the realization. The wheels of society turn slowly. Gradualists fail to distinguish between principle and practice.

Whenever anyone urges the gradual repeal of laws he believes to be wrong, he has lost the thought and force behind the case for repeal. Instead, postponement is actually advocated; and postponement, as eternity, has no calendar days, no deadline—it is a never-never proposition.

Gradualism has yet another flaw. It implies that what is declared to be wrong isn’t all wrong; otherwise, why abide it for a moment? It’s like saying that we should bring the thief slowly to justice else the baker and the haberdasher will lose the malefactor’s trade too suddenly.

When events in society are going wrong—and they appear to be—nothing less than exemplary action can set them aright, a difficult role. Any exemplar must be prepared for disfavor and unpopularity, simply because his principled

positions are and of necessity must be an affront to the mores, a break with the prevailing wrongs.

Freedom appears to be submerged in a sea of *buts*. It is entirely realistic to expect these *buts* from persons who do no thinking for themselves. The exemplar, however, never degrades a principle with a *but*. To do so is commonplace, not exemplary.

7

The urgency argument

ONE WAY to discover truth is to uncover error. Finding what is wrong may reveal what is right!

The tendency is to look for error only among our adversaries, rarely among those whose thinking we most admire, and seldom, if at all, in ourselves. Doubtless, truth would reveal itself more readily were we to reverse the priorities!

How do we best put ourselves under scrutiny? I find that error in my own thinking is best dispelled by taking advantage of those whose thinking is superior to my own. If any error can be found there, then refinement in my own thought is the reward.

But we need to be on guard even with this approach, for all men are imperfect. One does not improve his own thinking when one becomes a devout follower or disciple or idolater of another, setting him up as "the last word," as a god never to be questioned. Imperfection finds no remedy in idolatry, now or ever!

I am constantly coming upon contemporaries and others, all the way back to the ancient past, whose reflections and

analytical thinking far surpass my own. In the area of my special interest, political economy, one of my most rewarding discoveries, some thirty-five years ago, was that incomparable Frenchman, Frederic Bastiat. I have yet to find anyone who penetrated the political sham and popular delusions more clearly than he or who more brilliantly and wittily explained his insights. And above all else was his integrity, his adherence to principle. In his enormous output —1,200,000 words—it is difficult to find “leaks,” that is, a shading of ideas or sentences or phrases to accommodate expediency. Bastiat has an admirer in me.

However, I have found among his works a sentence which appears to me to contradict his principles and what he stood for:

If the socialists mean that under extraordinary circumstances, for urgent cases, the state should set aside some resources to assist certain unfortunate people, to help them adjust to changing conditions, we will, of course, agree.¹

Presumably, Bastiat's “we” alluded to himself and his thinking and was not meant to include other persons. Indeed, it would have been as difficult then as now to find individuals—except anarchists—who would go as far as he in limiting government. In any event, had I been around, Bastiat could not have included me in his “we.” I wouldn't allow government to get its nose in this tent, however urgent the clamor!

¹ See the chapter, “Justice and Fraternity,” in *Selected Essays on Political Economy* by Frederic Bastiat (Irvington-on-Hudson, N.Y.: The Foundation for Economic Education, Inc., 1968), p. 120.

I would not dwell on this detail except that this "leak" is common not only to the "socialists" but to many of today's best libertarian thinkers and writers. Unless it is repaired, there is no chance to arrest our plunge into socialism. My comments are not to criticize Bastiat whom I so much respect but, rather, to appeal to my contemporaries. I hold this small and seemingly harmless concession to police power to be the hole in the dike. We must mend this flaw in our thinking or suffer the consequences.

Steadfastness Under Stress

Here is my contention: *The state has no principled role in remedying social distress, none whatsoever!* To use urgency or need or extraordinary circumstances as the basis for governmental entry into this area is to give away the case for limiting police power. To concede only this much is to throw away the best criterion we have for limitation; it is to open the flood gates.

It ought to be clear that urgency or need is a wishy-washy point of reference; it can no more serve to guide us than can a cork in the ocean or a leaf in a hurricane. It is as flimsy and fickle as the wishes from which such urgency stems.

What, for instance, is urgent or needed? Most of us will concede that a starving or drowning man is urgently in need of help. But do we stop there? Hardly! It is now proclaimed that all persons whose annual incomes are below \$3,300 are urgently in need of Federal assistance; they're below "the poverty line," a line that is forever bouncing upward. Let a prosperous city suffer some damage from

flood or wind or whatever and it is declared "a disaster area"; their situation is urgent. Grand Opera is becoming an urgent need of all cities, just as are better hospitals, a Gateway Arch, or a thousand and one other wishes. Urgency or need has no more stability than day dreams and should never be used as an excuse for the employment of police force.

"... to protect persons, liberties, and properties; to maintain the right of each, and to cause *justice* to reign over us all."² That's the role Bastiat assigned to government. But "to protect persons" can easily be interpreted to mean protection against such exigencies of life as personal distress, that is, the providing of whatever it is one's varying subjective judgment tells him he needs.

Except for the aforementioned "leak," Bastiat left no doubt as to what he meant by "to protect":

See if the law takes from some persons what belongs to them, and gives it to other persons to whom it does not belong. See if the law benefits one citizen at the expense of another by doing what the citizen himself cannot do without committing a crime.³

Reflect now, not on the "needs" for Grand Opera and the like, but on the starving man. Can I forcibly take the fruits of your labor to rescue him without committing a crime? I cannot. The degree of urgency has nothing to do with the matter and would not absolve me of my crime.

² See *The Law* by Frederic Bastiat (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1968), p. 7.

³ *Ibid.*, p. 21.

According to Bastiat's own criterion, just cited, relief work is not within the proper duties of the state. Urgency or personal need no more warrants coercive force on the part of government than on my part. This would appear to be self-evident once the essential feature of government is seen.

Essentially, *government is organized force*; this is its distinctive characteristic. To demonstrate this fact: The distinction between you as an agent of government and you as a private citizen is that in the former you are backed by police force; issue an edict and I obey or take the consequences. Remove this backing and you are restored to private citizenship; issue an edict and I do as I please. The logical question follows: What can police force do? Clearly, it can inhibit, prohibit, restrain, penalize. Next, what actions of men should be inhibited and so on? Only fraud, violence, misrepresentation, predation; that is, all destructive actions of some against others.

A Spiritual Force

The point to keep in mind is that police force is in no respect a creative force. The creative force is always spiritual: the spirit of inquiry, discovery, invention, insight, intuition, a sense of charity. These qualities flourish when the soul is at peace; they are inhibited, their roots destroyed, when inhibitive force—coercion—is administered. Merely take note of how our own sense of charity withers whenever and wherever government takes over the role of “benefactor.” We lose our personal sense of obligation.

The idea of forcibly taking from some and freely bestow-

ing on others is precisely the Marxian line: "from each according to ability . . . to each according to need." Bastiat aptly described this political legerdemain as legal plunder. If Emerson was correct in claiming that "the end pre-exists in the means," then it follows that nothing but ill can flow from plundering others and redistributing the loot, superficial appearances to the contrary notwithstanding. We need only observe the deplorable effects on the recipients of these something-for-nothing schemes: a loss of self-responsibility and atrophy of the faculties.

But there is something even more illogical about the notion that police action is warranted in urgent instances. This rests on the fear that citizens left to their own resources and acting voluntarily wouldn't respond quickly enough or adequately in emergency cases; something must be done, even the abandonment of sound principle, to compensate for this presumed deficiency in voluntary action. Not only is this fear unfounded; the proposed remedy would fail.

To see why, simply compare private and governmental activities in those areas in which comparisons are possible. For instance, the government delivery of mail and the private delivery of the human voice! Or, compare the costs of our own private airlines with the government-owned airlines of any other country.⁴ Or, observe how you respond to a neighbor's distress and compare that with a government response to a similar distress. Or, note how private citizens, observing an opportunity, organize to get the job done over-

⁴ See "Flying Socialism" by Sam H. Husbands, Jr. in *The Freeman*, February, 1965.

night, as we say. Where these opportunities are left to government, as in Russia, months or years are required for any response at all; and even when a program is organized, there is only a slow, cumbersome bureaucracy, condemned by its nature to perpetual inefficiency.

Psychic Profit

I know the rebuttal to this: Yes, private citizens will respond quickly and efficiently to an opportunity for a profit but not with similar alacrity to the numerous signals of personal distress in society.

Overlooked here are the two kinds of profit: monetary and psychic, the latter providing as much or more incentive than the former. When one lends another a helping hand, he experiences a psychic profit; that is, he prefers extending help to not extending it, else he would not have extended it. In his own judgment, he profits. Indeed, the helper often realizes greater satisfaction than does the one he helps.⁵

The urge for psychic profit runs deep in the human spirit and will manifest itself, even extravagantly, if not preempted by police action. The only reason for the feeble present condition of our faith in this voluntary behavior is that voluntarism has been largely deadened by governmental take-over. We observe less and less personal charity in action and, thus, draw a wrong conclusion.

Be not mistaken—citizens will organize as quickly and

⁵ See "What Shall It Profit a Man?" in my *Deeper Than You Think* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1967), pp. 108-17.

efficiently to achieve psychic profit as they do to take advantage of monetary opportunities. Given a chance, they'll always outperform police action for such a purpose. To argue contrarily is to claim that alacrity and efficiency are enhanced by bestowing upon benefactors the power of coercion. That, of course, is absurd.

Finally, reflect on the vast majority who turn to police power to remedy distress. While they may do this as a means of escaping the personal practice of charity, every one of them will say they act purely because of their concern, their compassion, for those on the lower rung of life's ladder. Let's take them at their word. Can they not trust their own compassion to express itself? Apparently not! For it seems, when they turn to government, they are insisting that they must be forced to do that which they claim they want to do. Again, an absurdity!

Charity, no less than insight or inventiveness or inspiration, is in the creative realm. And it can never, even in the most urgent or extraordinary circumstances, be aided and abetted by police force. Let government codify and enforce the taboos against destructive actions; leave everything creative to men acting freely, competitively, cooperatively, voluntarily, privately. And the more urgent the matter, the more rigidly should this rule be observed.

Why freedom is not trusted

PROFESSOR Ben Rogge humorously observed to his neighbor: "The martins are going to take over our backyard this season; they outnumber the starlings two to one." "You are wrong," countered his friend, "there are twice as many starlings as martins." To settle the argument, they decided to count. But the difficulty of counting birds in flight brought a confession from Rogge: "Really, I can't distinguish between a martin and a starling." "I'm glad you said that first," responded the other honest person, "neither can I."

One important reason why freedom is not trusted is that many people cannot—or at least do not—distinguish between freedom and slavery; they can't tell a martin from a starling.

Ask people, "Would you prefer to live in freedom or under all-out statism?" and everyone—even Russians—would side with freedom. But this unanimity is to be explained not so much by any well-recognized distinction between these two ways of life as by the connotations—good and bad—of the words. To test this contention, merely ask, "Where would

you rather live, in the U.S.A. or the U.S.S.R.?" Americans will answer, "U.S.A." and Russians, "U.S.S.R." And the answer would remain the same by most Americans were the U.S.A. to become as dictator-ridden as the U.S.S.R. Why? Because they can't tell the difference between freedom and its opposite.

America properly acquired a freedom label, for free institutions were more nearly approximated here than anywhere else, before or since. We, no less than our forefathers, have been taught from childhood to pay obeisance to freedom. The rhetoric of freedom has more or less dominated our politics, our verse, our song. "*Home of the brave and land of the free*" remains on our tongues to this day, as much taken for granted as a sunrise.

On our tongues but not in our minds! The label endures while the contents deteriorate. America is said to be free because we retain the image of a former aspiration. True, we give every appearance of being free men and we use a great deal of freedom's phrasing. Yet—as in Oscar Wilde's novel, *The Picture of Dorian Gray*—when the curtain is pulled back and we view ourselves as we really are, America is no more free than Dorian Gray was righteous! The distinction between the image and the reality is overwhelming.

Here is a clear case of false labeling. The politico-economic hodgepodge which engulfs us is widely presumed to be what our forebears meant by freedom. This hybrid is not trusted, and for good reason. Therefore, let's not put any faith in freedom.

Typical of what we hear incessantly are these words from a scholarly and an affluent person:

As you know, I have long been a thorough-going supporter of the freedom philosophy, but in the last few years I have been increasingly disturbed by the fact that the search for the almighty dollar, so freely permitted under the freedom banner, too often neglects its broad responsibilities to our environment. As a result, damage from free enterprise frequently exceeds benefits. . . . Since there is absolutely no hope that responsibility can be developed in time to check the appalling consequences of population growth, I find myself forced to recognize that the freedom philosophy cannot possibly answer the problem. This in turn dictates a most unpleasant change in my thinking.

What is he changing to? To the only possible alternative: more intervention such as government controlled child birth—vasectomies, “the pill,” and so on.

Is it not clear that this man’s switch from a devotion to freedom to an advocacy of statism is founded on the fallacy that free men are responsible for the present hodgepodge? *If he thinks this fouled-up situation is caused by freedom, he has some serious homework to do.* His error is precisely at the thoughtless and nonanalytical level of those who have been exclaiming for the past thirty-seven years, “If free enterprise is so wonderful, how come the great depression!” As if freedom were responsible for that debacle!¹ These people do not know what is meant by freedom—at least, not what I mean.

I wish to go even further: They haven’t the slightest idea

¹ See “The Great Depression” by Professor Hans F. Sennholz in *The Freeman*, October, 1969.

where their recommended course of action leads. If they think that things are now askew, let them ponder the inevitable consequences of what they naively propose. Dr. Ludwig von Mises, who suffered this authoritarian nonsense, can counsel them:

What these people fail to realize is that the various measures they suggest are not capable of bringing about the beneficial results aimed at. On the contrary, they produce a state of affairs which from the point of view of their advocates is worse than the previous state which they were designed to alter. If the government, faced with the failure of its first intervention, is not prepared to undo its interference with the market and to return to a free economy, it must add to its first measure more and more regulations and restrictions. Proceeding step by step on this way it finally reaches a point in which all economic freedom of individuals has disappeared. Then socialism of the German pattern, the *Zwangswirtschaft* of the Nazis, emerges.²

The Consequences of Intervention

In deference to the person who proposes this or that coercive intervention, I will concede that no one can ever trace its devious impact on the behavior of human beings; there is no foretelling what will happen. Frighten or otherwise upset a person and he may jump out the window or at your throat or whatever. Man does the best of which he is capable

² See *Planned Chaos* by Dr. Ludwig von Mises (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1965), p. 23.

when free and self-responsible, but a single intervention—price control, for instance—will change his behavior for the worse; he'll try to “worm his way” around it; he'll cheat or lie or in some other way lower his moral stand. Let interventions become extensive enough, and otherwise splendid citizens will be up to every conceivable chicanery; they'll riot, strike, sit-in, advocate inflation *and more intervention*, and so on; they'll suffer a moral breakdown. They will no longer act responsibly simply because they are no longer self-responsible.

A report of the breakdown in France during the French Revolutionary period points up the situation into which we appear to be heading:

Just as dependent on the law of cause and effect was the *moral* development. Out of the inflation of prices grew a speculating class; and, in the complete uncertainty as to the future, all business became a game of chance, and all businessmen, gamblers. In city centers came a quick growth of stockjobbers and speculators; and these set a debasing fashion in business which spread to the remotest parts of the country. Instead of satisfaction with legitimate profits, came a passion for inordinate gains. Then, too, as values became more and more uncertain, there was no longer any motive for care or economy, but every motive for immediate expenditure and present enjoyment. So came upon the nation the *obliteration of thrift*. In this mania for yielding to present enjoyment rather than providing for future comfort were the seeds of new growths of wretchedness: luxury, senseless and extravagant, set in. This, too, spread as a fashion. To feed it, there came cheating in the nation at large and corruption among officials

and persons holding trusts. While men set such fashions in private and official business, women set fashions of extravagance in dress and living that added to the incentives to corruption. Faith in moral considerations, or even in good impulses, yielded to general distrust. National honor was thought a fiction cherished only by hypocrites. Patriotism was eaten out by cynicism.³

In a word, an inevitable manifestation of inflation and other interventions is a corrupt citizenry. The person who is unaware of the reason for this sorry picture will look upon the humanity around him as all there is to work with—an impossible lot from whom may be expected nothing but more trouble and chaos. He sees their faults but fails to see that much of their ill behavior is the result of the very coercive action he proposes. Further, he will mistakenly conclude that what he sees are a people as they behave when free. For isn't America a free country? Because these people are debased by their "search for the almighty dollar," they cannot be trusted. Away with freedom; make them toe the mark, impose on them the regimen of the goose step—the *Zwangswirtschaft!* The error here is two-fold. First, it must be remembered that the ones who ascend to dictatorial power are at least as corrupt as the ones they would control. For are they not from the self-same citizenry? This statist arrangement employs corruption as a remedy for corruption—an utter absurdity. The person who will order the vasectomy won't be one whit better than the person operated on!

³ See *Fiat Money Inflation in France* by Andrew Dickson White (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1959), pp. 108-109.

As Good as Can Be

The second error is to assume that people in the prevailing state of corruption would behave the same way in an essentially free society. Nothing could be further from the truth.

Let me pose a simple question for these countless individuals who are defecting. Suppose that the whole kit and caboodle of governmental interventions were removed; that government confined itself to codifying the taboos and enforcing them, leaving you free to act creatively as you choose. Imagine that there were no man-concocted restraints against the release of creative human energy, leaving you free and self-responsible. Never mind for the moment about reforming the world. Would you, personally, act in a responsible manner? I know your answer, whoever you are: Affirmative! Anyone who would behave otherwise would be a traitor to his own interests—a fool.

Free and self-responsible men are as good as imperfect men can be. For confirmation, give yourself the test. Such self-examination makes it clear that we should trust free men, but be on guard against those who are coerced—they'll behave irresponsibly.

The stumbling block in the way of freedom as a remedial step is an incontrovertible fact: no person, however brilliant, can ever see how this humpty-dumpty can be put back together again. If I cannot figure it out, who can! And, true, there is no one. How, then, can the remedy ever come about?

There have been periods in history darker than ours and these have, on occasion, been followed by eras of enlighten-

ment. In no instance did an individual design the better society that came along. Mostly, the authoritarians had exhausted their bag of tricks, their power structures fell, and there stood the citizenry in freedom. Then, the miracles: Athens, America, and others.

There is no accounting for these efficacious events at the human level except a wisdom—an over-all luminosity—that emerges when men are free. This is a wisdom that does not remotely exist in any discrete individual, but it is the wisdom by which we live and grow.⁴

What relief an awareness of this over-all luminosity provides! I do not have to be what has never existed: a know-it-all; that is, Creation does not require of me that I be its architect. I need only attend to my own growth and to play my part in the preservation of freedom, the sole state in which your and my growth is possible. For this luminosity gets its brightness—all of it—from the tiny flashes, sparks, enlightenments of men when and only when in free and self-responsible activity—never in coerced action.

Trust freedom? In the society of men there is nothing else to trust!

⁴ I've done my best to identify this miracle in pages 9-49 of *Let Freedom Reign* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1969).

*When freedom becomes second
nature*

ONLY when it becomes second nature for man to behave in a manner consonant with freedom will freedom be secure. And even second nature, while a good servant, can be deceptive if not constantly and rationally supervised.

That which is known is no longer a problem. That is, a point is grasped when it no longer requires analytical thinking. No conscious thought is required to find the answer to six times seven; the answer is known. Anyone who still has to think his way around "a" and other letters of the alphabet does not know how to write. Anyone who has to think about this or that movement of the steering wheel or brake or accelerator does not know how to drive. Those who know how to write and how to drive have relegated such physical movements to the conditioned reflexes; the movements have become second nature. A problem disappears when the solution is known.

It is important to emphasize that those features of our culture which we presume to be right and superior to earlier

cultures are no longer considered by us to be problems; appropriate behaviors are taken for granted; the proper stance has become second nature. For instance, we do not regard the linkage of church and state as a problem; the rightness of the separation of these two institutions is assumed; it is known; our behaviors in that regard are second nature. In many cultures, however, this has been a social problem of the first magnitude, and still is. Why? Only because the correct behaviors haven't passed the thinking stage and have not yet become second nature.

There are a thousand and one efficacious aspects of our culture that could be cited, all founded on behaviors rooted in tradition, no thought given to them, none whatsoever. They are taken for granted.

However, we need to be reminded occasionally of the genesis of what has become traditional or taken for granted. These customary behaviors on the plus side haven't just happened. They began with a great deal of difficult, analytical thinking and courageous pronouncement; many thinkers have been burned at the stake for affronting the mores. In the case of church and state: "Uncompromising as ever, Father Paul (Sarpi) continued to write letters and publish treatises which clenched more and more firmly into the mind of Venice and of Europe the political doctrine of which he was the apostle,—the doctrine that the State is rightfully independent of the Church,—and throughout the Christian world he was recognized as victor."¹ Courage? Sarpi, on one occasion, was accosted by assassins and left

¹ See *Seven Great Statesmen* by Andrew Dickson White (New York: The Century Company, 1910), p. 26.

in a ditch for dead, and all because of his views which were upsetting to the established order.

So Seldom Prepared

The point I would stress is that many of the behaviors consonant with freedom are not sufficiently well known by us to have become second nature. In these matters, we remain in the having-to-think stage, and freedom is not secure. Let me illustrate.

Define freedom as the absence of restraints against any and all creative actions. How many of us habitually behave in a manner consonant with freedom as thus defined? Very few, indeed! True, it is second nature with most of us to respect another's property; that is, we will not restrain another by personally taking the fruits of his labor. *We know better.* And this, in the long history of mankind, represents a mighty cultural step! But many Americans today will accept the fruits of the labor of others if the act of taking is depersonalized—done in the name of groups and politically approved. This aspect of taking and restraining has not been adequately pondered, thought through, analyzed; it remains a problem. The appropriate behavior is not generally known; it is rarely second nature. Out of willful ignorance, freedom is thus violated on countless fronts.

True, freedom of speech is more or less taken for granted, and appropriate behavior in that respect is second nature with most of us.

True, the same can be said for freedom of the press.

While it is also true that behaviors related to freedom of

assembly are second nature, the habit seems to have gotten out of hand. Countless groups are construing this as freedom to assemble on someone else's property. Such restraint on the creative actions of others is not freedom at all but license. This illustrates how deceptive second nature can be and why it has to be constantly watched and supervised. Merely reflect on the deep thinking that has to be done in this single area concerning assembly before it becomes second nature for our behaviors to be fully consonant with freedom!

However, we have barely scratched the surface—despite some steps in the right direction. So much of our behavior is not by second nature and is not consonant with freedom—and for good reason. Many freedom concepts are brand new and represent a break with tradition; relatively few persons have apprehended them, and only within the past several generations.

For instance, the subjective theory of value was discovered 100 years ago. It's so simple: the value of any good or service is whatever anyone will give for it in willing (free) exchange. But most people, even in "enlightened" America, when faced with the slightest political crisis, will condone if not endorse the opposite: controls over wages, prices, rents, interest, exchange, production, and consumption (rationing). They fail to see that freedom is the best cure for a crisis and blindly insist on destroying the free market reflection of their own requirements and capabilities. Unknowingly, they smash the mirror and thus render all of us helpless to see our economic selves as we really are. All too rarely do we respond to the market reflection of these value

judgments as if it were second nature to do so; instead, we demand protection or security or equality or something other than the market offers.

Nor have we constructively thought our way through numerous other aspects of freedom: private ownership, open access to the market, competition, free pricing as a means of allocating scarce resources, equality before the law as before God, and other related concepts. As a consequence, little of our behavior is freedom-oriented by second nature; we have to think how to behave in so many situations, with ever so many of us unwilling to indulge in such thinking. Freedom is far from secure!

The Freedom Idea Is New

It is utter folly for devotees of freedom to deceive themselves as to the security of their cause. The freedom we possess is precariously held, and it cannot be saved, much less improved, unless we know how precarious the situation is. There is no chance to solve a problem unless we understand how profound the problem is.

There's a reason for our plight. "The more elevated is an activity in an organism, the less vigorous it is, less stable and less efficient. . . . the functions most recently acquired by a species, being higher and more complex, are those most easily lost. In other words, that which is most valued is always in greatest peril."²

The freedom idea is in fact a recent, idealistic, elevated

² See *What Is Philosophy?* by José Ortega y Gasset (New York: W. W. Norton & Co., Inc., 1961), p. 117.

acquisition of the human mind. Not being rooted in tradition and having little in the way of second-nature behaviors working for its security, it lacks stability; it is easily lost; freedom concepts are fragile, wonderful ideas, few of which we've yet embraced by second nature within our relatively unconditioned consciousness.

To grasp the difficulty of our problem, simply estimate the quality of thinking required before behaviors consonant with freedom become habitual—second nature. The *quality* required? When many of us can expose the fallacies of socialism and explain the principles of freedom with the ease and facility of adding two and two, that's when freedom will be an assured way of life!

Are there any assurances of this way of life in the foreseeable future? Only if perfect knowledge can be assumed! Thus, freedom will always be insecure; it will forever be touch-and-go. Even eternal vigilance and devoted effort can do no more than to set the trend aright, as high an aim as we should embrace. And this expectation is warranted only if we view our problem realistically, see it as profound and difficult as it really is. To assess it superficially, to think of it as requiring anything less than practices consonant with freedom becoming second nature, is to waste our time and energy, to spin our wheels, as the saying goes.

Is this too dismal a prospect? Not to those among us who enjoy a challenge; it's magnificent!

Getting to know beans

IF WE KNEW BEANS—and I mean this literally—we would know that labor is a commodity. My dictionary states that a commodity is “any useful thing; anything bought and sold; any article of commerce.” This definition would seem to be acceptable to any economist.

Listen to a distinguished businessman who puts himself on the side of the overwhelming majority:

The concept of labor as a “commodity” is so outmoded that we don’t even talk about it today.¹

Granted, this concept is outmoded. Further, it is against the law: “The labor of a human being is not a commodity or article of commerce.”² But it’s not the first time men have thought the truth had been outmoded. When a truth is out of style, or at odds with legislation, that’s precisely when we should be thinking, writing, talking about it—

¹ Ira Mosher, President, National Association of Manufacturers, 1949.

² The Clayton Anti-Trust Act, 1914.

especially when the confusion is as costly as in this case.³

The widespread impression that labor is not a commodity results in enormous economic mischief. If labor is not a commodity, then the argument seems to be its price (wage) ought not to be determined by competitive forces of supply and demand in an open market. In other words, those who argue that labor is not a commodity would in effect deny the laborer access to the market—would compel him to find some other way to get what he wants from others.

Historically, that other way was for many laborers to serve as somebody's slave—after having lost a war and being taken captive. The serfdom of the Middle Ages marked little if any improvement in the human condition. Not until the industrial revolution made it profitable for employers to compete to hire people to use tools was there much chance to live better lives. Capital and competition freed slaves to sell their services to the highest bidder in the open market.

Market vs. Coercion

The modern argument that labor is not a commodity generally implies that we who work for a living would fare better under compulsory unionism than in the voluntarism of the market. But this is only another form of warfare and slavery, and not a path to progress. This way—price and

³ I am fully aware that in contemporary economic literature many economists do not treat commodities and services alike as economic goods. In order to dramatize the applicability of economic law to human labor, this essay makes use of the outmoded concept.

exchange control—is at the intellectual level of mirror smashing. It keeps others from seeing what we have to offer and us from seeing what they have to offer in exchange. So, let's be done with the notion that labor is not a commodity.

What lies at the root of such widespread confusion? Quite simple. Most people use one dictionary definition of labor only: "Laborers, operatives, and artisans as a body or class"—in a word, human beings. This figure of speech is useful for political purposes.

The definition an economist must use is quite different: "The product or result of labor or work"—in a word, the *productive effort* of human beings. Interestingly enough, this definition has after it *archaic*.

A laborer, be he the janitor or the president of the company, is a human being and not a commodity. No argument! But the labor or work of any human being, regardless of occupational status, is a commodity. About this there should be no argument among those who respect the dignity of every man, and would have him free to buy and sell in the open market.

We quite properly regard a bag of beans as a commodity. But what is a bag of beans, really? It is exclusively a manifestation of numerous forms of labor applied to the good earth, that is, it is a product of varying types of human energy. Except for Creation's endowments—natural resources—in which man has had no hand, the bag of beans is labor and nothing else.

From an economist's viewpoint, the dictionary misleads in still another way; it describes labor as "physical or men-

tal toil; bodily or intellectual exertion, esp. when fatiguing, painful, or irksome, or unavoidable"—in a word, menial or servile effort. Were this correct, we would be forced to measure the value of labor by the amount of perspiration or degree of tiredness—an absurdity! We are all tool users. In today's world, there is a mop or hoe or plow or truck or jumbo jet to augment labor. These are all tools—capital. The captain of a jet no less labors than does a carpenter or a plumber. It is economic nonsense to categorize as labor some lower form of human exertion, to draw a line between "the working man" and an inventor, for instance. Both are working men and oftentimes the latter labors and creates more than the former. It would be just as wrong to define labor as exclusively a higher form of exertion—the insights of Leonardo da Vinci, for instance. Quality or quantity of exertion has nothing whatsoever to do with what is or is not labor: labor is human effort, whether the exertion be muscular, mental, or spiritual.

In the case of a bag of beans, there's the labor of men who till the soil, the labor of those who skinned the hides that went into harnesses, of those who grew and ginned the cotton that made the bags, of those who mined and refined the ore that made the plow and other implements—an endless profusion of kinds of labor ranging from ideas laboriously refined, to the labor of saving capital, to the labor-saving but labor-produced machinery—trillions of labor bits in that bag of beans!

The accumulation of capital helps to emphasize the varying kinds of labor or effort. What is the nature of this effort? It is abstention from spending all of one's income right now.

For some, this is more difficult than pulling weeds; for others, it is the easiest thing they do. If the price we pay for capital—interest rates—were to be governed by how difficult it is for people to save, we would have to invent some electronic gadget, perhaps an “effortometer,” comparable to measuring the value of labor by the amount of perspiration. Capital, in this sense, is a commodity and, as the bag of beans, has its origin in a form of labor or effort.

Magic Combinations

Nor does the story of labor end in a bag of beans. There's a can of beans! Contemplate the labor in transport, of mining tin, and of all the labor that went into the canning factory—another profusion of labor bits, even to the kind of labor that goes into advertising and into the paper on which it is printed.

And the end is not yet. There are countless forms in which the canned beans are prepared and presented for human consumption—the labor of cooks and of recipe creators and all the labor bits that go into the accompanying ingredients.

The dish set before the king is labor—and so is the dishwasher, whether manual or mechanical.

Everyone will agree that a bag of beans qualifies as a commodity: “a useful thing; anything bought and sold; any article of commerce.” But the bag of beans is only one of the myriad forms in which labor is manifested. Labor, thus, is a commodity precisely as is the bag of beans.

All except socialist planners will agree that a bag of

beans should go to market and find its price at whatever level free and willing exchange dictates. But very few in today's world—even those who give lip service to free enterprise—will agree that a laborer's labor should find its price in this manner. And all because most people entertain the notion that labor is *not* a commodity. They personify labor as a cartoonist's figure in overalls, just as they personify capital as a top-hatted figure with dollar signs on his vest.

My labor, let us say, goes into raising beans. In this case, my labor goes to market as a bag of beans, so let my labor find its price in the market. But suppose I choose, instead, to hire out to a grower of beans. Then my labor—of the same type and intensity as before should not find its price in the same way as the bag of beans? By what quirk of reasoning can such a deduction be drawn? This is not a reasonable deduction but only a conclusion falsely arrived at. No amount of labor can make sense of it.

Beans vary in quality. People will pay more for good beans than for poor beans. Beans also vary in quantity, that is, in supply. People will pay more or turn to other foods when beans are scarce and high priced and will buy more when they are plentiful and low priced. This is to say that people will use their judgment as to how much they will pay for labor going into beans. Can they be faulted for this? Of course not! Should you tire of beans, then you will pay absolutely nothing for such labor; and if every consumer were to feel the same, then labor manifesting itself in beans would receive nothing whatsoever. What's wrong with this? Nothing! For isn't the value of anything—labor as beans or labor as service—the amount that will be paid

by buyers in willing exchange? To argue contrarily is to assert that what is of value to me—labor however it presents itself—is not a matter of self-determination. Shades of Marx!

Ability Rather Than Need

The rebuttal, of course, is founded on the confusion of definitions, namely, that labor has needs whereas beans do not. True, regardless of the form our labor takes, we laborers have needs. But our labor, as one of the scarce factors of production in the economic sense, no more has needs than do the beans, for they are one and the same. The only relevant question is this: *Is our labor needed?* If we are to gratify our needs as laborers, it's up to us to see that our labor is needed, whether manifested in beans or writing or waiting on table. The sole sense in which labor can be said to have needs is the need for constantly improving performance, that is, a need for a greater marketability and exchange value. As I increase the attractiveness of my performance, my personal needs as a laborer can be increasingly gratified. Further, only I, not you, can effect the improvement of my labor. So far as my labor is concerned, you alone may determine what you will offer in exchange for it—and that's the way it should be. I may accept your offer—or a better one—or none.

These confusions as to the nature of labor lead to mischief when we institutionalize the confusions. Witness the countless political enactments that subsidize labor in employments free choice no longer demands—Federal Urban

Renewal, for example—or the tactics of the National Labor Relations Board or the coercive practices of labor unions. Lamented one industrialist, "We are now buying a man's time, not his labor." The whole political pressure is away from the market—free choice—and in the direction of more money for less work and fewer hours. Instead of a concentration on the improvement of labor and its market attractiveness, the movement is toward monopoly, a forming of cartels. The cartel's message is: Accept us for as little as we choose to give and at our price; you have no alternative; the most important decision in economic affairs is to be made by us and not by management or even by consumers. Take us as we choose to be or close shop.

It is not necessary, however, to read my explanations to see the fallacies in the current "labor" movement. There isn't a single "prolabor" member of Congress, a staff member of the NLRB, a labor union official, or one of their millions of members who really believes that a laborer should be paid more for his labor than a free and unfettered market has to offer. Not if we test their beliefs by their actions rather than by their pronouncements!

Merely observe that every one of these individuals—as does each of the rest of us—shops around for bargains. He'll buy a can of beans from the store that offers it for 20 cents rather than from a store that offers the identical can for 30 cents. What do his actions prove? *He is attempting to buy labor as cheaply as he possibly can*, for that can of beans is but the manifestation of countless labor bits applied to the bounties of the good earth.

Were the actions of these people consistent with their

pronouncements backed by coercion, they would buy the 30-cent can of beans; that is, they would insist on paying more for labor than the free market offers. Not until they engage in this foolish action will I believe they mean what they say by their antimarket pronouncements.

It's human nature and common sense for every bidder to buy services as cheaply as he can. But this does not force wages down. Nor is it a reason why laborers should mistrust the market. The over-all scarcity of labor as an economic resource, and the competitive bidding for that scarce and valuable resource, is the only way in the world for the laborer to obtain the full value for his services and fully enjoy the manifold blessings of freedom. But we must be done with the nonsense that labor isn't a commodity.

Getting to know beans is one way of restoring some economic sanity, of bringing to light a concept that has been too long outmoded.

11

Games we play with labor

KARL MARX, whose already enormous following appears to be increasing, insisted that labor accounts for all production and, hence, value. But he identified labor as the proletariat which, according to the dictionary is, "the working class; especially, the industrial working class: the current sense, as in Marxism." Using collective or class jargon to define a term makes impossible any clear explanation of economic phenomena.

It is true that labor, in the broad sense in which I use the term, does account for all production—that is, labor sensibly defined is human action, motivated by the purpose of the actor, and it matters not whether the exertion be physical, intellectual, or spiritual. The effort to apprehend an idea is as much labor as is the effort of laying bricks. Intuiting or inventing involves labor, as does shoveling coal or hoeing corn.

All human exertion of whatever variety stems exclusively from discrete individuals and the purpose each has in mind, which is to say that labor is private and personal. If anything

can be earmarked as one's own—mine, not thine—labor according to the laborer's choice is it; nothing is more surely private property.

According to Purpose

Every earthly achievement by man has its origin in purposeful labor, including the idea behind each achievement. Some human accomplishments are in the form of spiritual insight, moral principles, intellectual attainments. Others take material form when labor is applied to natural resources. This latter phase accounts for everything from the bread we eat to the pencils we write with to the planes we fly in. So, aside from the gifts of Creation, all production results from labor by choice—the human resource.

One's home, for example, is entirely the product of labor applied to natural resources. In it are labor bits by the trillions: discoveries, inventions, and manual exertions over the millennia. But note this: the labor embodied in your home is wanted by you, it is useful to you; it has value to you—or you wouldn't be living there. Labor, in this instance, serves a human need in the judgment of a human being.

Labor, defined in this unconventional manner, is *the* human asset from which all other assets flow—and to which they are secondary. Thus, labor according to the laborer's choice is asset number one and should, perforce, rank number one in honor, respect, protection. But does it? Indeed, not! Labor, being the prize asset, is the asset most fought over and contended for; it is the butt and pawn of present-

day politics; plunderers, often well-intentioned, play games with our labor and wantonly waste it in the process. Let's see how these games are played.

What is it we put on the moon? Perhaps a million times as much labor as goes into a home! Remember, aside from natural resources, that moon venture is 100 per cent labor. What remains useful to human beings? The memory of a good show and a few scoops of moon dust! So far as I can see, we put untold labor into rockets in amounts never before assembled for a single project in world history, then *-fired this labor into outer space*—and oblivion. The current value of all this labor? It is precisely that amount which you or some others would give for it in willing exchange. You paid for it; reflect on what you can realize from your "investment."

I have put investment in quotes simply because yours was not really an investment in the moon venture but, rather, a divestment. To grasp this distinction is to "catch on" to how this particular game is played with labor.

To invest, as one invests in a home or equities, is a voluntary act. You *choose* the disposition of the fruits of your labor.

By Whose Choice?

To divest, on the other hand, means to deprive or dispossess. Somebody else, not you, performs this act and, thus, somebody else determines the disposition of the fruits of your labor. Divestment is involuntary, and is the name of this game.

Divestment! The U.S.A. today has by far the biggest divestment program, if measured in money terms, in all history. But money measurements seem not only to confuse us but to excuse those who do the dispossessing. To me, the picture is clearer when I think of the colossal labor being shot into outer space and wasted than when I look at the cost in dollars. Using labor, I see a part of me being skyrocketed into oblivion, but when I think in money terms the temptation is to buy what is dinned into our ears: the government is doing this for our own good; look how GNP goes up; note the jobs it makes; on and on.

When I "catch on" to the games being played with labor, I see the Gateway Arch in a new light: me and millions of others in part dispossessed! Value? That is, what would I willingly offer in exchange? Unless I lived in St. Louis, not a cent! It is a wanton waste of labor.

Medicare, Federal urban renewal, all subsidies, protectionism, and thousands of other governmental activities are a part of America's divestment program. Instead of The Great Society, ours should be described as The Age of the Great Divestment!

It is easy to see that each of these divestment activities recognizes no right to private property. That your labor is yours is flagrantly denied. To dispossess is to disregard private ownership, the most important of all economic tenets. The consequence is socialism as purely as Marx ever conceived it.

Take just the two of us—you and me. Concede that I am as wise as Marx or a political committee and that you are precisely as you are. Now reflect on which is the better of

these two ways: (1) you *invest* your labor as you see fit, or (2) I *divest* you of your labor and dispose of it for some good I think ought to be done. The answer clearly is the first of these alternatives.

Whoever you are, you advance your own interest and the interest of others better when investing your labor according to your lights than would be the case were Marx to divest you of your labor and dispose of it according to his lights. Your labor, as much as your thoughts, is an extension of your life, not an extension of Marx's life. Further, Marx or any Marxian will do more harm than good with his disposition of dispossessed labor, regardless of how noble his goals. Pap feeding may be all right to raise animals for slaughter, but it's not the way a self-responsible citizenry grows or emerges. It's the way to societal atrophy.

How Laborers Are Manipulated

Divestment does not end with Federal government activities. This game is played on an enormous scale in yet another way, as in the case of organized labor. As with all cartels, the labor union today is really a branch of the Federal government, for its many special privileges are governmental grants, that is, they are power grants, the privilege to act coercively.

A man's labor for his purpose, as mentioned before, is his prize asset. Command over it provides enormous leverage, and if it be unguarded there will be a rush to control it—control being ownership.

Parenthetically, the principled role of government is to

secure each person's right to life—labor being an extension of life. This is to say, in good theory, government's function is to protect private property; its task is to secure labor against expropriation by any person or organization.

Plainly, the Federal government has, during recent decades, reversed its position. Instead of insuring the opportunity for investment, it has embarked on a huge program of divestment; in the place of securing labor, it has put labor "up for grabs."

By substituting an unprincipled for a principled role, the Federal government unleashes an evil trait: the quest for power. Let me explain. The power-seeking proclivity appears to be a more or less common frailty. Only rarely do we observe individuals of a quality to refuse power if it be within their grasp. When there is no power waiting to be seized, this trait remains benign; it lies dormant and doesn't show itself. But make positions of power available and watch the scramble for it, even to the point of brutal combat. Thus, when labor—the prize asset—is declared "open season," the power instinct sprouts, inflates, and alarmingly proliferates. This is not theory; it is reporting!

I'm merely assessing the situation as it is. This is our problem and it must be faced, for there is no remodeling of the past. Nor can future prospects be brightened short of a far better understanding than now prevails as to how games are played with labor.

Let us now consider how labor unions play the divestment game.

We must first keep in mind that all production has its origin in labor and choice of one kind or another, and

forcible interference with labor necessarily curbs productivity; divestment is the correct descriptive term.

Labor unions have a standard formula. First, the government grants special privileges and immunities. Then workers in various trades are organized—some 18 to 20 million—and each union hierarchy, after winning an election, speaks *authoritatively* for all members—even for the minority ranging up to 49 per cent who had the choice of becoming members or losing their jobs. This is euphemistically referred to as “collective bargaining.” The unions “bargain” for—demand—above-market wages, more and more fringe benefits (which are really wages), and fewer hours of work. When the union side of the “bargain” is not acceded to, the collective threatens to quit or actually does so. And then force or the threat of force is employed to keep others from taking the jobs the strikers have vacated. This coercive tactic—the strike—rather than economic reasoning, is the language they use to persuade.

A Losing Arrangement

In this game who is dispossessed? Bear in mind that these millions of union members exert less, not more, labor—and for more money. If they get more money, someone else must get less—be divested of a part of his income or property. So it is that nonunion workers are, in one way or another, divested of a portion of their earnings to make up the union members’ “gains.” The simplest of all economic facts is that wages have to come from production; the aggregate production is all the pie there is. When some forcibly take a dis-

proportionate share of the pie for themselves, there are only smaller pieces for the others.¹

Second, above-market wages result in unemployment. Those unemployed go on relief. In a word, the government picks up the unemployment tab, meaning higher taxes and/or a decrease in the dollar's purchasing power. All of us—even the union members—are thus divested of our property.

If there is to be any turnaround in this divestment program, more citizens than now will have to see through it—that is, there must be a wide comprehension that this is a power-seeking, not an economic, course we are on. The evidence in support of this contention is bountiful.

Merely observe that union organizers more or less limit their bids for power to those situations in which closing up shop is a fate to be avoided by owners even at exorbitant cost. If above-market wages and below-market hours were good economy, why then wouldn't unions attempt, with equal fervor, to organize productive activities in which the stakes are minor or to which consumers are more or less indifferent? The answer is simple: they have leverage in the first instance, none in the second. Unions can gain their ends only by inflicting themselves upon ownership situations that will put up the ransom rather than shut up shop.

A big corporation, for example, will give in to the most flagrant demands rather than go out of business. And so will a small outfit if it has a good thing going. The perfect prey for union exploitation are those occupations on which we, the people, have become dependent or to which we have

¹ See *Why Wages Rise* by Dr. F. A. Harper (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1957).

become addicted: electricians, carpenters, plumbers, garbage collectors in cities, trainmen, teachers, truck drivers, telephone operators, airline pilots, gravediggers; the list is very long.

But note that little if any effort is made to organize laborers whose occupations are not highly institutionalized and spark no great emotional surge among consumers: libertarian writers and speakers, portrait painters, poets and essayists, housewives; the number of laborers in this list is at least three times as long as the number in the unionized list.

If the labor union tactic were good economics, and were the unions interested in the general welfare, would they not compel all of us to work less than we do and for more pay than we get? The absurdity is clear. They do what they do because it's the route to power; it is no more the way to a good economy than is any other divestment program.

Finally, union organizers are no more to be faulted for union tactics than are the government officials who write and administer the permissive legislation, or the union members who avidly take advantage of it. No distinctions can be made. Nor can we say that these people behave the way they do for the lack of formal schooling. It appears that years in school have no inhibiting effect upon the quest for special privilege and power.

Be it noted that college graduates and even Ph.D.'s, airline captains, engineers, and all sorts of well-schooled laborers grasp for privilege and power—once it is there for the taking—as readily as do those who stopped short of the eighth grade. True, there are exceptions—that is, individ-

uals whose self-discipline and sense of self-responsibility cause them to reject privilege and power. But, in my experience, these fine exceptions to the rule are as numerous among the unschooled as among professors.

What then is the answer? *Be done with this destructive permissiveness!* Perhaps such an achievement is possible. Primarily, it requires an understanding that we must never trust power over others—no more to a friend than to our worst enemy. When we quit playing these games with labor, we will turn away from divestment and toward investment—to the interest of everyone!

12

The dilemma of value

MANY of the economic troubles previously discussed stem from a faulty concept of value or, more accurately perhaps, they stem from the absence of any concept. The subject was touched upon in a preceding chapter, but I made no attempt to deal with the confusion or misunderstanding of value. So let us now tackle that dilemma.

What, for instance, is the value of a can of beans? A pen or typewriter? A day's work? *Any* good or service?

Lacking an understanding of the right way to determine value, we will use wrong determinations that result in incalculable mischief.

A moment's reflection must persuade us that the relative affluence of the more than 200 million residents of the United States is a result of a highly specialized, industrialized exchange economy. There are literally billions of exchanges daily of various goods and services—my money for your labor, your money for shoes, or bread, or whatever. How do we value these items of trade? Surely, we're doing something right or we couldn't exist in our present affluence and numbers. But not knowing precisely what it is that's

right, we unconsciously adopt policies that cannot yield the desired results. We are going astray and at a rapid pace.

Here's the problem: human wants exceed the resources available to satisfy them. Results? Scarcity! How is a man to cope with this predicament? Shall he fight—use coercion—for what he thinks is his share or shall he try to find ways to work out the problem peacefully with others?

If he decides to fight, he'd better hold onto the overwhelming power of coercion. But if he prefers to work it out peacefully with others, he needs a measure of wants and a measure of scarcity, an agreeable method or scale of values by which to calculate. Nor can he revert to fighting to decide whose evaluation is to prevail, not if he chooses to work peacefully with others—that is, to respect the dignity and right of every human being to his own scale of values.

Centuries of Search

It seems simple enough, in an advanced stage of economic thought, to conclude that "value is subjective," that each person rates his own wants, and ranges them in the order of their intensity. But for hundreds and even thousands of years men sought in vain for some objective standard of value, a "fair" price, or wage, or rate of interest—an unvarying measure of the intrinsic worth of any specific thing or a particular action. And the most common answer was that the value of anything is the amount of labor put into it; in other words, its cost of production. For instance, if Jones worked an hour to make a pie, Smith or Brown or anyone else should be willing to give up an hour's work for

that pie. But if no one else has any use for Jones' pies, how is Jones to decide how much more of his time to devote to making and baking them? This quantitative or "objective value" idea always leads to economic nonsense—and it is doing so today.

Eventually, some smart Jones deduced that the exchange value of his pie is whatever anyone else will give him for it in willing exchange. In terms of his own inner scale, each evaluates what he gives up and compares it to what he receives in a trade. And the ratio at which these items exchange then becomes a price that others may use in their own calculations relative to producing and consuming scarce goods and services.

The smart Jones in this instance was Carl Menger—only a century ago. His was less a deduction or invention than a discovery. Menger (and others) discovered how common people act when free. Böhm-Bawerk, reporting on this, observes that:

. . . the common people have furnished excellent proof of their sensitivity in economic matters by recognizing the essential nature of value long before the scientists did. Science was misled by confusing utility with value, and so it declared goods like air and water to be things of the greatest use value. The man in the street . . . treated air and water as they deserved to be treated, namely, as things without value. And for centuries, long before science set up the doctrine of marginal utility, the common man was accustomed to seek things and abandon things, not in accordance with the highest utility that they are by nature capable of delivering, but in accordance with the increase

or decrease in concrete utility that depends on each given good. In other words, he practiced the doctrine of marginal utility before economic theory discovered it.¹

Articulated for the first time was the true means of determining the economic value of anything and everything. In order that prices might not lie, the exchange had to be not only peaceful but just, and so it was—when practiced.

Observe that such market pricing requires no omnicompetent bureaucratic statistician, no power-wielding union organizer, no dictatorial know-it-all. Even the simplest person, whoever he is, knows his own unique scale of values better than does anyone else; and the free market price accurately reflects each person's choice.

The Terms Confuse

Now to my point. There is no fact of life simpler than exchange value in its true sense. Yet, its apprehension appears to be no more general than Einstein's Theory of Relativity. Why?

I suspect it's because of the formidable labels economists have pinned on this idea: *the subjective theory of value* and its companion, *the marginal utility theory of value*. This jargon, while correct and necessary for technical discourse among professionals, is too forbidding to be grasped by scarcely anyone except a card-carrying economist. By the time a professional economist gets through explaining the meaning of "subjective" and "marginal utility" his non-

¹ See *Capital and Interest*, Vol. II, by Eugen von Böhm-Bawerk (South Holland, Ill.: Libertarian Press, 1959), p. 204.

professional listeners or readers are so bogged down with word apprehension that the simple facts of value and utility escape them. For the most part, they come out of an explanation no better than they went in: smothered in words and utterly confused.

Perhaps the word "theory" begins the confusion. While having numerous meanings and connotations, "theory" conjures up a speculation or hypothesis, something yet to be verified, that is, not *necessarily* a truth. This puts value-theory in the class of flat-earth theory, which is to say, into the doubtful category. Value, instead, is in the certainty category, akin to our assurance that the earth *is* a spheroid. Merely witness that people, when free, exchange and trade in terms of each participant's evaluation of his wants and needs.

Reflect on the word, "subjective." Any number of people can read the dictionary definitions of this word and learn to repeat them. But when it comes to precise and exact apprehension, it's a real sticker for most of us. Aside from discourse among professionals, why not merely say that the value in trade of any good or service is what others will give for it in willing exchange, and let it go at that! True, the determinants of value are subjective judgments: *I, not you, decide the value to me of what you have to offer in exchange.* This is the item's economic value, and its value may have little to do with the item's utility. But why not make the simple explanation rather than to use "subjective"? The term—to many—is portentous and mysterious, rather than enlightening.

Next, reflect on the phrase, "marginal utility." Again,

very simple but rarely apprehended. For example, an automobile, in many cases, is a necessity in today's world and ranks high in the owner's scale of values. The second auto is of less value to him; the tenth would more than likely be a nuisance and of negative value. If hungry, you may pay \$5.00 for a steak; but when you're full, your need is marginal and you wouldn't give a nickel for another. Value tends to diminish as satiety is approached. But why becloud the truth by a term that—for the mill run of us—tends more toward confusion than clarity?

Coercive Methods Prevail

Here is the dilemma: The "objective" labor theory of value—unsound and intellectually demolished, thoroughly—rides high, wide, and handsome, as we say. We see it resorted to on every hand. All pricing by coercion—as attempted through strikes and the threats thereof—all governmentally rigged prices—ceilings or floors—and all subsidies are part and parcel of this primitive, obsolete system. Examples exist by the thousands.

For example, look into the way mail order houses price their deliveries. Lobbyists are hired to exert pressure on politicians for larger parcel post packages and at lower rates per pound. Thus, these businessmen obtain below-cost delivery prices and the taxpayers are forced to make up the difference. Lobbying for subsidies is not sound business practice, else mail order houses would offer their merchandise at below-cost prices—nonbuyers subsidizing the buyers. What is more obviously absurd!

Such malpractices, I repeat, are increasingly the vogue. And let not any of its practitioners condemn labor union methods of determining value—the pot calling the kettle black. Every such method is coercive. But more to the point, if these practices are not dropped and discarded, they must bring an end to our highly specialized, industrialized society. The issue here is survival.

We need only bear in mind that our economy became more highly specialized and industrialized because we more generally practiced the free market manner of determining value than any other people at any other time, which is to say, we partially rose above the "objective" labor theory of value. A return to this uneconomic, mercantilistic uncivilized way can lead only to utter chaos. Better not to have advanced into these intricate relationships and interdependences in the first place than to advance and then have the whole complex structure come tumbling down into a shambles that cannot be untangled. Those who urge these obsolete, coercive ways know not what they do.

What we must realize is that there can be no dropping or discarding of these regressive and destructive practices except as they are displaced by the peaceful and just practices founded on free choices based on personal value scales. A reliance on the market method of consumer choice is possible only through a greater appreciation of its efficiency and fairness. To achieve that degree of understanding is an obstacle of the first magnitude. For rarely are there individuals who can grasp these ideas as explained by free market economists. Thus, the dilemma! What are we to do about it?

Perhaps there is a truth that can be grasped: The true

value of all goods and services is *automatically* revealed to all exchange participants whenever freedom is practiced, defining freedom as that situation in which there are no man-cococted restraints against the release of creative human energy. It isn't necessary for everyone to know all the reasons why freedom works its wonders in order to garner its blessings. Like electricity, we can use and enjoy its powers without knowing precisely what it is.

If there be doubting Thomases, let them go to the professional, free market economists, those who have penetrated into the intricacies of subjective and marginal utility concepts. There they will find verifications aplenty, that is, if doubting Thomases can apprehend them!

Don't throw out the baby

THE COURSE we now follow in a careless, thoughtless, and irrational manner could destroy a recent and by far the most progressive economic concept ever come upon by mankind! In a blindness brought on by such forces as irritation, covetousness, a false sense of justice, adherence to an outmoded value theory, and a propensity to run other people's business, we are about to throw a precious human asset—the baby—out with the bath.

The baby? It is the *open* as distinguished from the *closed* road to wealth. Were we to collapse recorded history to the average life span of Americans, the baby would be less than two years old. As Ortega points out, it is always the latest and highest acquisitions of the mind that are the least stable and the first to be abandoned whenever crisis threatens. But before describing the baby, let us reflect upon the bath that is forming and about to be thrown out—the baby with it.

What is the bath? We are presently showered with the outbursts of anticapitalistic mentalities from every quarter: the press, radio, TV, pulpit, classroom, political chambers. So numerous and overpowering are these shallow fusillades

that capitalists themselves are in retreat. They apologize for profits, take refuge behind such nonsensical notions as being in business for "the social good," and they support all kinds of socialistic, anticapitalistic legislation. Wealth, which most people seek for themselves, is being inundated in scorn and obloquy as if it were something evil.

None of us knows all the reasons for this anticapitalistic mentality but one of them, certainly, is the unfavorable effect affluence or wealth has on many citizens.

Never in man's history have so many individuals experienced affluence as in the U.S.A. today. Literally millions of persons can have all of the material embellishments their hearts desire, and millionaires all over the place! There are notable exceptions, of course, but not many of us can stand such affluence. Wealth, so easily come by, often tends to turn individuals away from serious, responsible citizenship into do-nothings and "big shots." Individuals so afflicted bear little resemblance in character to their struggling ancestors.

Further, our plunge toward all-out statism with its attendant woes and troubles seems to coincide with the rapid ascendancy in affluence as if the latter brought on the former. This is not a cause-effect sequence, but it *appears* to be. So, we are urged, stop this race for the almighty dollar. Cease doing the things which lead to wealth, or which depend upon it. To follow this course, as I shall try to show, is to throw out the baby with the bath.

As with eating and drinking, discriminately employed wealth serves a life-saving and life-giving purpose. But wealth has built-in temptations, as do food and drink, which

can and often do lead to overindulgence. I suspect that the real reason why affluence has such an unsavory reputation is that wealth is used more for self-glorifying than for self-improving ends—a form of gluttony! Ill-used wealth does more to down-grade than to up-grade the people it graces. The noble purposes wealth may serve are rarely understood.

Consider the opposite of wealth: abject poverty, as experienced by Chinese coolies, for instance. They labor in rice paddies from morn till night to eke out a bare animal existence. These human beings have unique potentialities no less than did our poverty-stricken ancestors. But note that there is little if any realization of these potentialities among coolies. The good earth is populated with many outstanding musicians, artists, poets, philosophers, engineers, architects, scientists, and a thousand and one other specialists. Chinese coolies, be it observed, are seldom numbered among them. Why? Abject poverty!

Poverty Hinders Growth

I devoutly believe that life's purpose is to grow, emerge, develop, and that poverty, so long as it persists, subverts this end. Assuming that the evolution of man is our objective, then wealth is the means to rid us of the enslavement poverty imposes. Wealth, when employed as a freeing agent, is essential to man's march toward his destiny. Wealth may be abused and misused, yet it has a role to play in intellectual, moral, and spiritual progress; it is a vital means to these high ends.

The moral or evolutionary purpose of wealth is not to free

man from life's struggle—far from that! Its purpose is not that man may retire or allow his faculties to vegetate. And definitely it is not to substitute ease and comfort and ostentation for hard work. Rather, its purpose is to allow us to get ever deeper into life—to work even harder—along the lines of our creative uniqueness. This is how we evolve.

As abject poverty subverts the evolution of man, so does wealth when it is worshiped and used as an end in itself rather than as a means to the higher ends. But to disparage and finally to rid ourselves of this vital tool simply because we have failed to grasp its moral purpose and application is destructive nonsense.

What I refer to as the closed road to wealth dominated the world economic scene up to the Industrial Revolution. There are exceptions but, for the most part, wealth was reserved for the very few: the Maharaja, the Lord of the Manor, the master of slaves, merchant princes—the “upper crust.” Theirs were political conferments, instances of special privilege. Wealth was measured in size of estate and castle, jewels, servants, and the like—more an enslaving than a freeing agent, energy consumed to fend off predators rather than released for individual emergence. It was political, not private, ownership; no respect for each man's right to the fruits of his own labor! Coercive to the core, the resultant social arrangement assumed various forms: despotism, feudalism, autocracy, the guild system, mercantilism, wage and price controls, protectionism, and so on. *Closed*, indeed!

In such a closed society, the millions were essentially serfs; if born a shoemaker, you remained one regardless of your talent or potential for any higher calling. You, poor

slave, stay put! It is easy to understand why, in that dark age of economics, Saint Thomas Aquinas argued that these poor people *had a right* to a minimal standard of living from their lords and masters. Such was the sentiment which Marx later popularized: "from each according to ability, to each according to need." Given a closed—authoritarian—economy, there is no other way to disperse the wealth required to sustain life.

As darkness has no resistance to light, so has ignorance no resistance to enlightenment. Ignorance is always upon us in the absence of enlightenment; it retreats naturally as enlightenment increases but stands ever ready to descend again upon the blind.

The Open Road to Wealth

About 200 years ago, a remarkable political and economic enlightenment substantially removed the barriers—temporarily at least—that had closed the road to wealth. The baby was born: the open road to wealth! And it has been named the Industrial Revolution.¹ Goods and services henceforth would be produced for the masses and not solely for the political elite.

While the order of the successive steps in this enlightenment might be debated, it is my view that the first step was and had to be a recognition of human dignity. This is to say that each individual is as much a human being as any other;

¹ For a revisionist view of the Industrial Revolution, see *Capitalism and the Historians* by various authors, edited by F. A. Hayek (Chicago: University of Chicago Press, a Phoenix Book, 1963).

the son of a cobbler is entitled to opportunity no less than is the Prince; everyone equal before the law as before God—each his own man with a fair field and no favor. Any person, regardless of ancestry, free to rise to any height his energies and talents might take him. The road open!

Implicit in this enlightened recognition is that each and every person has full and exclusive right to the fruits of his own labor. In a word, the acceptance of a moral principle—justice—led logically and positively to the economic tenet on which the open road to wealth is founded: *private ownership*. Not that private ownership displaced political ownership and special privilege entirely—far from it! But the barricades were broken; there was not only the prospect but, far more than ever before, the reality of the open road.

Specialization, as might be expected, became the next step. Individuals, as they were freed from the bondage which abject poverty imposes, began to engage in an infinite variety of activities, each according to his unique talents and abilities.

Then came the next flash of enlightenment: freedom in transactions. If a particular good or service is really mine and some other good or service is really yours, there follows logically from this private ownership the right to exchange with whomever one pleases.² It simply is nobody else's business. Freedom in transactions tended to become the rule rather than the exception.

Assuredly, the next most important enlightenment came

² To deny freedom to exchange is to deny private ownership. One owns only that which he controls.

about 1870 when some economists discovered how ordinary people behave when free from controls. In other words, they discovered or came to understand the subjective theory of value. Until this time, the value of a good or service had been reckoned by cost of production, that is, by the amount of exertion expended. This false measure of value had been a real hindrance to private ownership, specialization, and freedom in transactions. Following the discovery of the subjective theory, the value of any good or service, instead of being determined by cost of production or dictated by some cartel, was whatever could be obtained in willing exchange. It is that simple. The market value of my pen? Whatever you or some other customer will give for it. If there are no willing buyers, its value is zero; if the top bidder offers two dollars, that's its value.

There's the baby—this recent flash of light or understanding. Its significance is seen by contrasting what has happened in the U.S.A., where this wisdom reached its apex, with what otherwise might have been the situation. Without this economic enlightenment, most of us either would not have been born or would have died in early childhood. Adam Smith (1776) observed that the average mother in the Scottish Highlands had to bear twenty children for a reasonable prospect that two might reach adulthood, so great was the infant mortality rate. There simply wasn't production enough to sustain more than a relatively small population.

Next, had that closed road to wealth persisted, nearly all of us, including our millionaires, would still be in the class of servants, serfs, armed guards, and the like. Even the simple requirements for life—food, clothing, shelter—would be

no more than the political hierarchy might see fit to allot to us. Slaves!

And last, born a cobbler, remain a cobbler! The unique potentialities of the individual dead on the vine! The destiny of man—growth, emergence—forever stifled!

Now, look around us: would-have-been slaves—millions upon millions of us—in that advanced state of affairs in which each may pursue his unique talent and can receive in willing exchange those goods and services required for well-being. Take, for example, one who specializes in the study and explanation of the freedom philosophy and produces nothing else, nothing whatsoever. If he receives enough for his efforts to defray the costs of shelter, food, heat, light, and countless other desiderata, he is wealthier than any Lord of the Manor of bygone days. And solely because of a practice of freedom—a baby in the realm of enlightenments—this open road to wealth!

I repeat, affluence has had a disgusting effect on a great number of individuals. Wealth has become so much a god that it knows no satiety.³ Imagine some of the wealthiest people who ever lived shouldering a debt without historical parallel—the combined indebtedness of U.S. citizens in excess of a trillion dollars! And more: an enormous siphoning off of accumulated capital assets by diluting the medium of exchange—inflation!

However, we must remember that this affluence exceeds

³ This is no merely modern defection; Plato describes the decay of an oligarchy in Book VIII of *The Republic*: "And so, as time goes on, and they advance in the pursuit of wealth, the more they hold that in honor the less they honor virtue. . . . From being lovers of victory and lovers of honor they become lovers of gain getting and money."

anything mankind has heretofore experienced; we are not conditioned to such wealth; it is not in man's tradition. Thus, we resemble children turned loose in a candy bin; if they make themselves ill, it is not the fault of the sweets or a reason to outlaw candy. It is, instead, the occasion for some dietary sense and self-discipline.

And ours is the occasion for some sense in political economy and morals as related to the evolution of man. It is pitiful to observe millions of people enthusiastically working against their own interests—that is, working their way back to the closed road. And it is easy to tell which way we are heading. Substitutions of political for private ownership, wage and price controls, labor or business cartels, subsidies, inflation, or other schemes that feather the nest of some at the expense of others rebuild the barricades. Such hazards preclude the several necessary steps to the open road and turn us against our self-interest!

While I deplore the way many affluent people behave, I trust their wealth to them far more than to politicians or others who had nothing whatsoever to do with its acquisition.

Finally, regardless of how unfavorably we may view the way wealth is used by its owners, let us not, under any circumstances, throw out the baby with the bath. This infant enlightenment is one of the most priceless blessings of mankind.

The right to do as I please

INDIVIDUALS of an extremely independent mien will insist that they are warranted in doing as they "damned well please," to use their phrasing. At the other end of the spectrum are those such as Auguste Comte who disavow all independence by insisting that society alone is real and that the individual is only an abstraction—that is, the individual is not warranted in doing a single thing he pleases.

Envision this spectrum, a few at each extreme, with the millions of us somewhere in between, confusedly and everlastingly shifting this way or that—giving ground to pressures or being drawn by suasion. Unstable as jumping jacks!

To establish where we stand in this hodgepodge and to predict how others will act and react, what is the common custom? A resort to labeling! Rarely is the proper question posed and its difficult answer sought.

My point is that we attach labels to ourselves and others in an attempt to describe politico-economic positions and oppositions: left and right, new left and new right, liberal and conservative, radical and reactionary, socialist and lib-

ertarian, collectivist and individualist, communist and anarchist, altruist and egoist, and so on. All, of course, are generalizations and, thus, oversimplifications. Not one of these ever describes any individual accurately—tells him how to act, or tells others how he may be expected to react. Nor is precise description possible, for everyone is to some degree in ideological flux, ranging from slight shifts in point of view to a complete flip-flop. Everyone is subject to change.

Labeling is only a way of avoiding analytical thinking by pigeonholing people. But distinctive individuals can never be made to fit into such neat little niches. Even were it possible correctly to categorize people, the knowledge would be useless; nothing would be revealed about the true nature of our countless politico-economic variations and disagreements. Labeling simply does not get at the crux of the matter. And for good reason: We cannot say of any person that he is an ideology or an idea or a philosophy. The best we can do is to define an ideology, idea, philosophy and then observe to what extent an individual subscribes to or departs from it.

If not labeling, what then? Perhaps there is an ideological question we can pose which, if properly answered by each of us, might reveal where we stand at any moment in time and would, roughly, measure our differences with others. The question is this: *To what extent am I warranted in doing whatever I please?*

How can I decide how far I should or shouldn't go in doing as I please? Man is not wholly social as is a swarm of bees, nor is he as individualistic as a lone eagle. Man is at once a social and an individualistic being. The question is,

cast as I am in this dual role, under what circumstances am I warranted or not in doing as I please?

If everyone knew the right answer to this question and were to abide by it, the social phase of man's duality would be more or less resolved. This, however, is more a pious hope than a reasonable expectation, so the best I can do is talk to myself.

A Debtor's Duty

Let me state my conclusion at the outset and then try to explain it: I may do whatever suits my personal fancy so long as no offense is done to what I owe others.

Begin with the simplest kind of debt. Regardless of cause—carelessness or misfortune—let us say I owe a great deal of money, money loaned to me in good faith, and am in default in repaying the loan as contracted. Am I warranted in doing as I please with my own income? May I in any way be profligate with my income? Not until I have met all payments due, my debt to others redeemed. For me to spend one cent beyond what is absolutely necessary for productive performance is to further jeopardize my creditors' capital. For me to indulge in the slightest extravagance is at their expense. I may not spend as I please if the spending is in lieu of paying what I owe, that is, if it's with other people's money. To do as I please in this circumstance is not an assertion of independence; it is, instead, a resort to dependence, which is to say, a dependence on the unwarranted trust of others.

Are there other limitations? Assume I owe not one penny

to anyone else. May I now do as I please? Is there nothing else I owe to others? There's plenty more!

I owe to others, for instance, an observance of the thou-shalt-nots in The Decalogue. I must respect their lives and property, must not lie, and so on. Nor is this the full list of limitations on doing as I please.

Here is an I-owe-others rule that appeals to me: *to abstain from that type of conduct which, were it practiced by everyone, would bring everyone to ruin.*

For example, suppose it pleases me to forego self-responsibility, that is, to feather my nest at the expense of others. Having agreed to the commandment, "Thou shalt not steal," have I a right to do as I please by turning to government to do this for me? Not if I observe the rule. For were everyone to rely on government to insure welfare, prosperity, security, all would perish—all parasites, no host! This is socialism, the idea that only society is real; it omits the individualistic side of man. It is planned chaos.

Or go to the other extreme. Suppose it pleases me to be a law unto myself. Using my rule, I cannot assert my independence to this extent. For were everyone to become a law unto himself—each deciding what is and isn't justice, all societal codification of the taboos and their enforcement rejected, no higher court of appeal than individual whim and caprice, and with each his own gun-toting constable—our species would come to an end. This is anarchy, the idea that man is exclusively individualistic and in no way a social being. It is unplanned chaos.

The list of those things I may please to do but cannot do under my rule is far too long ever to enumerate. Instead,

each action which, on first impulse, seems to please, must be examined by the rule and rejected if it does not qualify.

One example of the countless actions which require testing by the rule: It pleases me to protect myself against competition. So I advocate an embargo against the exchange of competitors' goods and services. Have I this right to do as I please? No! Were everyone to do this, resulting in no exchange, all would come to ruin. I cannot even advocate that which, were it to become general, would prove disastrous to everyone.

Another: I cannot do as I please by using either private or governmental coercion to set wages and prices above or below whatever the free market decrees. Such policies, in universal application, assure ruin to everyone.

More Blessed to Give

The above suggests that the right to do as I please is considerably, if not severely, limited by what we owe to our fellow men. Conceding these limitations, as they are broadly outlined, it is my view that I am otherwise free to do as I please—that is, I may attend to the individualistic side of me.

There are many, however, who will argue that I do not go far enough in setting forth what I owe to others, contending that I owe others an education, a decent standard of living, and so on. In a word, I owe them philanthropy, alms. With this point of view I completely disagree.

Whenever I assume that the welfare of others is my problem I am, perforce, saying that their welfare is not their

problem. I am denying to them self-responsibility, the most precious of human possessions. I shall stand for the meting out of justice—equal opportunity—to any individual, whoever he is. And this I can best do by advancing and supporting the practice of free market, private ownership, and limited government concepts. The practice of freedom!

But philanthropy? *I owe this to no living person!* By what twisted reasoning has another a claim on my purse! Have I, for instance, a claim on the fruits of your labor because I am a ne'er-do-well or incompetent or even unfortunate? This is a nonsensical, collectivistic notion and, if generalized, would bring everyone to a low level of mediocrity.

Philanthropy, like its mental counterpart, charity, has its point of reference within myself; it is not to be directed by others. Concerning these, I, as a creature of free will, must do as I please. Nor am I underrating the value to me of the proper practice of charity and philanthropy.

Learning how to extend philanthropy with true charity—that is, without doing more harm than good—is among man's highest attainments and, attained, may more richly endow the soul than any other experience. I only say, don't take this right away from me. It is my do-as-I-please, not yours, nor government's, nor anyone else's.

The right to do as I please is restricted enough by observing ethical and moral principles—by taking account of the social side of man. But, beyond these limitations, whether in philanthropy or charity or production and exchange or anything else creative, leave me free to do as I please lest my individuality be shorn away and destroyed rather than improved and expanded.

Reflections on the guilt complex

ANYONE who has the slightest idea of how freedom works its wonders—thus having a faith in free men—cannot help but be appalled by the increasing number of affluent individuals who support welfare-state concepts and programs.

The cause often ascribed for this apostasy—this turning away from the free society by those it has raised to positions of affluence—is that the wealthy are victims of a guilt complex. They are ashamed to be more successful than their fellow men! Personally, I believe this to be a fallacy; further, it is a mischievous explanation, and we do injury to the freedom philosophy by excusing these apostates in this manner.

A wealthy friend suggests a state minimum wage law so high that tourist accommodations in his area will no longer be financially feasible; he wants his beautiful countryside uncrowded and uncluttered. A statist position in order to have his little world to himself! This, for certain, is not a guilt complex.

Or, here's a suspicion of mine: Turning to welfare statism is purely a pose assumed by many affluent persons—often unwittingly—to shield themselves from a growing number

of socialistic critics. They pose as welfare statists or profess to be in business for "the social good" rather than for profit; saying, in effect, to those who covet their affluence, "See, I'm on your side and doing all in my power to bring you to my level." This is far from a guilt complex.

Now and then there may be a business mogul or an inheritor of wealth who actually believes that "from each according to ability . . . to each according to need" leads to social felicity. But we cannot call the advocacy of this Marxian tenet a guilt complex.

The Plea: Not Guilty

There is little point in tracing causation further. The causes are far more numerous than the number of apostates, for each of them is led down the primrose path to socialism by more reasons than anyone else can fathom or than he himself is aware of. All of these countless defections are either immaturity or a lapse of judgment—thoughtless drifts—that are as common to those who "have it made" as to those who haven't. However, in no instance do we uncover a guilt complex.

Suppose that affluence were a mark of distinction—that getting ahead of others, becoming rich through voluntary exchanges, or making big profits brought not criticism but applause, acclaim, esteem from everyone. Were this the case, would the affluent among us be apologetic for their success—that is, would they have a guilty feeling? Indeed, they would not! Instead, they would be basking in their glory.

Or, look at it this way: If some person's guilty feelings

bred an uncontrollable compassion for others—as the Bible puts it, “this man’s possessions were weighing him down”—any individual so afflicted could sell his possessions and give to the poor. Until we see such voluntary philanthropic behavior on the part of an affluent person, let us hear no more about a guilt complex as an explanation for his apostasy!

Sell his possessions and give to the poor! What, really, are the wealthy doing when they side with welfare state concepts and programs? The very opposite! They are advocating that *your* and *my* possessions be expropriated and given willy-nilly, more often than not with injury to the poor. This posture may, on occasion, gain approval or silence criticism but only because so few see the sham in it. If the naked truth were apparent to all, would an affluent person so unfavorably expose himself? Of course he would not! Only professional comedians try to make a laughing stock of themselves.

Lack of Understanding

Why put so much emphasis on the apostasy of the affluent? Why not equally on the apostasy of those in the middle or lower brackets?

In all frankness, this apostasy—by the rich or by the poor—may be fairly and accurately diagnosed as an utter lack of understanding, a failure to grasp the most simple and basic economic relationships of cause and effect, of human action and its consequences.

This is not to suggest that persons of affluence are either more or less prone to these lapses into medieval or primitive

ways than those on the lower rungs of the economic ladder. Understanding is not advanced or retarded by the rise or fall of bank balances; there is no correlation between the two.

But an affluent person—usually well known—packs more weight than a poor person. The views of a captain of industry or finance or whatever are much publicized, whereas the views of a person who hasn't "made it" yet may go unheard or unheeded, even by his family. The "higher-ups" make news, and to the extent that they defect from freedom principles they infect more than their fair share of fellow Americans. This is why the apostasy of the affluent merits special attention—and disapproval, not acclaim.

Fortunately, each of us has it within his own power to immunize himself against economic sophisms and fallacies. We need not be misled in economic theories and practices by a spreader of nonsense, whether he be affluent or poor.

No genius is required to see clearly that an unhampered market economy best fulfills the peaceful wants and ambitions of everyone involved. Each best serves himself by serving others, producing his own specialty, trading for theirs. To be ashamed of success under such a creative arrangement, is to be sick of mind. The market does, in fact, handsomely reward those who best serve others, and the others ought to know and welcome the result, be glad and proud of it, for their very lives depend on this.

The alternative to which men turn in their failure to understand is a coercive tyranny that condemns mankind to slow starvation. This is not really a concern for the poor, it is not a guilt complex!

16

Forget the common man

THE SCENE was one of our seminars where I had been explaining that we live and evolve as human beings by drawing upon an enormous luminosity composed of trillions of findings—discoveries, inventions, insights—brought to the surface in clarity *by countless men from all walks of life* over the millennia. This is knowledge of a kind and quantity that doesn't remotely exist in any discrete individual—now or ever.¹

One of the participants drew a conclusion from my remarks: "Obviously, you have a deep and abiding faith in the common man." I was stumped. Just what are common men? The man in the street, so-called? Day laborers? The nonfamous and the undistinguished? The mill run of humanity? Teachers or preachers or doctors or students or business managers or capitalists or politicians or what?

The word, *common*, meaning the usual or the ordinary, cannot be applied to men, each one of whom is extraor-

¹ See Chapters 2, 3, and 4 in my *Let Freedom Reign* (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1969).

dinary.² How, then, can one have faith in what does not exist! "The common man" is a useless, meaningless term that tends to frustrate thinking and communication. To assert a faith in the common man is equivalent to that form of nihilism which professes a faith in nothing; it is nonsense—another careless catch phrase. So I say, forget the common man!

This, however, is not to disclaim a faith in mankind. Faith, when warranted, is not founded on who a man is or on the title he wears or on the occupational category or social hierarchy in which he finds himself but, rather, on *what* he is, that is, on the qualities he exhibits. Thus, qualities must be assessed in order to know where faith should be reposed.

The Self-Responsible Man

The fundamental human condition from which other qualities and virtues stem is self-responsibility. I can claim, then, to have a deep and abiding faith not in the common man but in the self-responsible man.

The self-responsible man is, by definition, a free man. He could not be free were others responsible for him. Be it remembered that authority goes where the responsibility is.

Virtues—respect for life, honesty, integrity, charity, intelligence, justice, love, humility—tend to take the place of vices to the extent that men are responsible and, thus, free. The reason is clear: self-interest. We are not exclusively Robinson Crusoes but are partially social beings—for we sur-

² See *You Are Extraordinary* by Dr. Roger J. Williams (New York: Random House, 1967). Also available from FEE, \$5.95.

vive by producing and exchanging. Men who are deceitful, who do not keep their word, who cannot be trusted fare poorly among free men. Exchange is stifled by coercion and other wrongdoing. In a society of self-responsible and free men, self-interest draws the virtues into practice.

Responsibility for self is an aspiration among enlightened men. They know that its removal, whether voluntarily relinquished or coercively expropriated by others, is the loss of the very essence of being. To the extent that others are responsible for me, to that extent are my faculties not called upon, left idle and unused; and unused faculties cease to grow and develop—indeed, they atrophy. There I stand in human form but without substance—a non-man! Confidence in non-men? Regardless of rank or title or degree, I should say not. None, whatsoever!

Presently, we appear to be in one of the devolutionary periods of history in which there is a marked running away from rather than toward self-responsibility. The combination of forces is frightening to behold: the “happy” abandonment of responsibility on the part of millions of citizens and an avid, one might almost say a ferocious, take-over of the abandoned pieces by power seekers. Reckless abandonment and unenlightened acquisition! A switch of responsibility from the individual where it can work its wonders to the collective where it becomes a political hurricane, a societal madness.

So marked is this depressive trend that even those among us who understand the meaning of this precious quality, and thus cherish it above all else, are unable to retain it fully. Countless instances come to mind—social security, for

example. Most of us no longer have a choice as to who is responsible for one's security: *it is government and not self!*

Exceptions to this authoritarian take-over are the employees of educational, charitable, and religious institutions. These relatively few are invited but not compelled to join this extraordinary popular delusion.³ A vast majority of these people who had the choice have accepted the invitation. But not those of us at FEE! We can and do say, "No, thank you!" And for the very simple reason that we understand the meaning of self-responsibility.

Our Attention Wavers

Self-responsibility will be observed as a variable, come-and-go quality, differing from person to person and also within each person. Each of us discharges responsibility in varying degrees of intensity from time to time—now attention and then neglect, sometimes wanted and sometimes shunned.

This is merely another way of asserting that the employment of our faculties varies, for their exercise and use is directly linked to the acceptance and discharge of responsibility for self. Faculties and responsibility ebb and flow in unison; they are of a piece. In a word, the potential genius of each person is realized or not as responsibility is or is not accepted and discharged. Let this fountainhead of my being go unattended and I become a non-man; attending to it is vital to the process of humanization.

³ See "Social Security Re-examined" by Dr. Paul L. Poirot in *The Freeman*, November, 1965. Copy on request.

The knowledge by which we live and evolve as human beings—the enormous luminosity that does not remotely exist in any discrete individual—has its source in self-responsibility. Every flicker of light, each invention or discovery or insight—all creativities—are the flashes from self-responsibility in discharge. It is this quality that sparks our human progress.

The flashes come from men in every walk of life, from the illiterate to Ph.D.'s, from the poor as well as the rich, and with less regard than might be expected to race or creed or color.

The luminosity by which we live and evolve has come not from common men, a misnomer, but from men in their moments or hours of self-responsibility—when taking a fierce pride in their work—and on no other occasions. Should we not make every effort to move toward, not away from, this supremely important quality?

One big strong organization

THERE IS a troublesome notion among the defenders of freedom: "*I'm tired of all these organizations that seek my support. Let's merge them into one, big, effective institution and rid ourselves of the duplications.*" This should be examined against its historical backdrop.

The real American Revolution, contrary to popular understanding, was not the armed conflict with King George III. It was, instead, a revolutionary idea and ideal. It was set forth in the Declaration of Independence, holding that man is endowed by his Creator with certain unalienable rights, among them the right to life and liberty.

This revolutionary concept—the very essence of Americanism—was at once spiritual, political, and economic. It was spiritual in that it proclaimed the Creator as sovereign and thus the endower of men's rights; it was political in that it implicitly denied the state as sovereign and held that it was designed only to secure men's rights; and it was economic in this sense: if an individual has a right to life, it logically follows that he has a right to sustain his life—the

sustenance of life consisting of the fruits of his own labor and the right to control them.

Omitting the sequence of beneficial events that flowed from such a wise and righteous concept, we can say in summary that it relegated the state to the role of securing life, liberty, and property. Legally inhibiting men's destructive actions and invoking a common justice were to be its functions. With the state thus limited, each citizen was left free to act creatively and productively as he chose, within the limits of his ability, ambition, and conscience. His liberties had not been granted by the state, and therefore the state had no right to revoke them at its pleasure. So went the thinking that shaped the earlier American design.

While the adoption and acceptance of this Creator-as-sovereign concept resulted in the greatest outburst of creative human energy ever known, it must be conceded that the concept flew squarely in the face of every state-as-sovereign (authoritarian) dogma to which mankind had hitherto submitted. These antagonistic, state-as-sovereign dogmas—hardened by tradition and made plausible to those countless millions who recognize no creativity over and beyond themselves—persisted in many of the minds of the freest people who ever made up a society. The idea of the Creator and not the state as sovereign was not only new and refreshing but also tender and perishable, having no power to endure beyond men's belief in its truth. It was as a baby dove in a cote with fast-growing vultures.

Many of these state-as-sovereign vultures took to wing during the first three decades of the twentieth century: the Sixteenth Amendment, the Federal Farm Board, the Recon-

struction Finance Corporation, and so on. Preparation for the demise of the dove—much of it unwitting—was well in progress.

Attempts at Solution

However, not until 1933 was there any widespread alarm about the plight of liberty. One vulture glamorized as "The Blue Eagle" set the date for a variety of minority organizations to cope with the vulture menace and save the dove. The short-lived Liberty League was among the first of these. As we embark upon the 70's, these groups have reached an amazing total and they're still forming. One executive tells me that his corporation receives appeals for financial support from no less than 2,000 organizations.

Most of these organizations grow out of a deep concern over what is happening to "the land of the free and the home of the brave." Generally, they are sincerely conceived. But no two are alike, except perhaps in broad objectives. So far as method is concerned, they're going every which way, suggesting a swarm of bees blown about by a hurricane. And who among us can say with assurance which one is headed in precisely the right direction?

Well, there's the rub. Any wise person must acknowledge that he cannot be positive about the right method. The more one studies our country's plight, the more difficult the solution appears. All dedicated individuals who presume to "lead us out of the wilderness" are right, according to their own lights. These lights, however, are greatly at odds and, to compound the issue, each light undergoes constant change.

Unanimity as to procedure among the concerned is the faintest characteristic that can be ascribed to them—all are “at sixes and sevens.”

Is this to be deplored? I think not. For it is only from the interplay of minds and facts and probings that the right course will ever clearly emerge from our present confusion. *Let competition reign!* Or, as the referee shouted in starting a jousting match, “*Laissez Faire!*” which meant a fair field and no favor. We ought to be grateful that so many efforts are astir. Reflect on how dismal our national picture would be were everything quiet on the essence-of-Americanism front!

Neither Possible Nor Desirable

Now, as to the plea that there be “one, big, strong organization in order to do away with the duplication,” my conclusions are:

1. It is utterly impossible of accomplishment. These varying, deep-seated convictions as to what constitutes right method cannot be homogenized without squelching the all too little zeal and spirit that yet remain.
2. It isn’t desirable. Rid ourselves of duplication? As well be rid of duplication in religion or education or manufacturing or merchandizing.
3. No qualified person could ever be found to direct such an organizational monstrosity. Anyone who would accept the sole responsibility of restoring freedom in America would have to believe in his own infallibility. No such intellectual authoritarian could possibly be an effective worker in freedom’s vineyard.

Why this urge for "one, big, strong organization"? Could it be the current and much deplored collectivism insinuating itself into the minds of the deplores? Or does it stem from a desire to be less pestered by all the little groupings? Or from an unwillingness to take the time or to make the effort to become a discriminating student of the freedom philosophy? Or a bit of all three? As a corporate executive once frankly confessed, "You all claim to be on the right track. I can't tell the difference and therefore have decided to support none of you." Suppose that this manufacturer were to take such an undiscriminating attitude toward the raw materials he purchases. His company would fail. And so will freedom in America unless discrimination is employed by each of us in selecting and supporting those efforts on behalf of freedom which we believe to be based on sound principles, following the right track.

Anyone who is seeking an escape from the freedom problem or who is looking for a patent medicine—for someone or something that will relieve him of the problem—would be well advised to forget the whole thing.

Some problems in life cannot be delegated. One's religion cannot. One's integrity cannot. One's conscience cannot. And, one's freedom cannot. These are personal matters.

Waiting for the "one, big, strong organization" to appear is but to postpone attention to one's own depth of understanding, strength of libertarian conviction, and competence in exposition. It is to avoid, not to accept, freedom as a personal matter.

One is well advised to forget the claims of any and all of these organizational efforts. Rather, have a hard look at the

performance of the individuals who labor for them. Are they productive or merely promotive? Are they consistent in their exposition of the freedom philosophy or do they resort to what's expedient? Do they enlighten or anger? And, finally, are their efforts demonstrably helpful to you or others in better understanding freedom ideas and ideals?

Find the right answer to these questions and there you will have the organization as big and strong as there is or can be.

Lump thinking

MOST OF US indulge in what might be termed "lump thinking." We do this to conserve energy or to escape the rigor of thought.

Real life is complex, and to avoid the chore of discriminating we try, as I have suggested in a previous chapter, to lump people and ideologies into easily manageable categories: Reds, Pinks, Liberals, Libertarians, Leftists, Rightists, Reactionaries, Labor, Management, Wage Earners, Capitalists, Sound, Unsound, and so on. This lumping or oversimplification fits nicely into the collectivist inclinations of our times.

Individuals with libertarian aspirations tend to develop antagonisms for persons such as Marx, Engels, Rousseau, Keynes, and their ideological offspring, and for excusable reasons. Then, having placed them in left field, they proceed to put anything and everything these people ever wrote into a lump, and regard it as worthless. These folks did state some truths; but, because of who they are, the tendency is to relegate any truths they stated to the muck heap. Thus, we find ourselves on occasion standing against truth.

Lump thinking spreads its insidious poison in the other direction, also. Anyone with libertarian aspirations tends to hold in high esteem persons such as Bastiat, Adam Smith, Herbert Spencer, John Stuart Mill, Burke, and their like, and for valid reasons. Then, having placed them on our side of the fence, we proceed to put anything and everything they ever wrote into a lump and call it truth. Nonetheless, these writers, being fallible, stated some untruths which, because of our high regard for the authors, we immediately take to heart as gospel. Thus, again, do we find ourselves standing against truth by approving falsehoods.

Truth Caught by Individuals

Truth appears to have no exclusive spokesmen, but is found in countless languages and symbols, issuing from the most unexpected places. Truth seems to reveal itself only to its earnest seekers, to those unafraid of examining any nook and cranny, disdainful of artificial lumps or categories, free of blind prejudices, and sensitively discriminating. This explains, in part, why truth yields itself so stubbornly to lump thinkers.

However, the intention here is not to cast stones at someone else. Many of us—I am at fault as much as anyone—have been guilty of lump thinking. It has to do especially with calling ourselves “libertarians.”

The staff members of FEE, perhaps more than any others, have been responsible for bringing “libertarianism” from dictionary obscurity, dusting it off, embellishing and popularizing it as a label for the free market, private property,

limited government philosophy and the moral and ethical tenets which underlie these institutions. We did this because the traditional and honored word, "liberalism," had been appropriated by those who were liberal only with other peoples' rights and properties; and because we could find no better generalization.

Having embraced the term, "libertarianism," we then held it up as a goal to be sought, ascribing to it every virtue in our list of economic, social, political, and moral ideals. I still believe we were sound in what we did—up to this point.

Should We Label Ourselves?

Then, quite unwittingly and naively, we permitted some of the current collectivism to rub off onto us—we slumped into lump thinking. We tended to collectivize by giving our vastly varied selves a one-word description: "libertarians"!

Belatedly, the error of this lump thinking is exposed in several ways. First, the adverse psychological effect of claiming libertarianism to be synonymous with virtue and then, in the next breath, boasting of being a libertarian! One might as well proclaim, "Behold! In me you witness the embodiment of all that is ideal and virtuous!" What unattractive egotism!

Second, those who might interest themselves in the libertarian philosophy take a second look at some of us who call ourselves "libertarians" and quickly lose their inspiration. They prefer themselves as they are to the product they see advertised. The eye is turned from libertarianism to "liber-

tarians"—from the ideal to its would-be practitioners—too often with disastrous results.

Third, when all of us who aspire to libertarian understanding and practice give ourselves an identical label, we become easy prey for our antagonists. Having lumped ourselves, on our own initiative, the whole lump stands to be discredited by a *coup de grace* to one "libertarian." (Note the fading esteem and respect for all who label themselves "labor" when only one of their number is proved a crook and sent to prison.)

Libertarianism, as we define it, is indeed a moral, economic, social, and political ideal. But it is an objective to be pursued rather than an end that has been or can be achieved perfectly. All of us with libertarian aspirations are in varying stages of progress. Our only similarity is in the general trend of our thought. As libertarian aspirants, we are individuals, not a collective. If we would enshrine the dignity of the individual, then we must shy away from any collective label, especially a self-affixed one.

When one who would enshrine the dignity of the individual is asked, "What are you?" he can try to give a candid and articulate statement of the faith that is in him. Such a person cannot, however, take refuge behind a mere label. My failure, no less than that of many others, to grasp this evasive point accounts, in no small measure, for the slowness of the private ownership, free market principle to assert itself over state interventionism. Never again will I call myself or any other a "libertarian." I will aspire to libertarian achievement and let it go at that.

The decadence theory of reform

MANY of those who are distraught by the mess they see in our society, attempt to comfort themselves by suggesting: "*The situation must get worse before it can get better.*" This seems to say that we must sink deeper into the mire before we can get ourselves out, that we have to hit bottom before we can start to climb up. If this be correct, then those of us who desire improvements in society should try to worsen everything as fast as we can; we should be devil's advocates in order to hasten reform. Does this make sense?

Perhaps this sentiment has something in common with such popular aphorisms as, "There's a silver lining to every cloud" and "It's always darkest before the dawn." Conceded, there may be a grain of truth in the sentiment—if it can be found.

By and large, however, this decadence theory falls into the lump thinking department, the collectivistic or macro way of jumping to conclusions. It stems from the same kind of casual and careless observation that attributes an idea to "the American public," or identifies a "national goal," or proclaims an "American image." These are phantoms; that is, they are nonexistent. Nonetheless, they cloud our think-

ing for they are part and parcel of the language we use. These phantasies are so deeply embedded in tradition that it's next to impossible to erase them from our minds. Traces, I confess, are to be found in this book; I hardly know how to talk to myself without falling victim to them!

In reality, what one calls "the situation" exists only as a figment of the individual. Situations external to each person exist, to be sure. But insofar as each individual is concerned, their reality and significance is measured by what *he* beholds. To me, the outside world consists of what I perceive it to be; and everyone else has his own view.

For instance, one person sees countless events and happenings he deems destructive and evil and, more than likely, he experiences depression and hopelessness. In such a mood, he may invoke a generality—"the situation"—pronouncing it awful and beyond repair. Another beholds conditions which he deems good and ennobling and makes a corresponding pronouncement about the world external to him—again, "the situation."

I am trying to make the point that "the situation" is not the external world in itself but, rather, an individual's assessment of it. "The situation" isn't *out there*; it is *in here!* With the external world as it is, whatever that may be, how else can we account for your and my differing perceptions of it? Do you alone behold reality; or is its perception exclusively mine? The answer is self-evident: Reality is bigger than all of us. And we are obliged to conclude that there are precisely as many "situations" as there are individuals who form judgments.

I, for instance, see a thousand and one events and happen-

ings which I assess as destructive and evil. This, however, is exclusively *my* "situation." No other person on earth perceives an identical "situation." In that case, the theory that "the situation must get worse before it can get better" begins to fall apart.

I have numerous imperfections and sundry blind spots, and I suspect that others do, too. Must you and I become worse before we can get better? More blind and imperfect than we are? Heaven forbid! The further degraded we are, the more difficult the upgrading. Indeed, if an individual lapses to the status of a complete ignoramus, he has no chance of bettering his "situation." He's mired for life.

Instead of saying, "The situation must get worse before it can get better," we might more accurately proclaim, "Individual situations must get better in order to keep from getting worse." The fact is that individual "situations" suffer deterioration in the absence of improvement.

The Inner Change

While the widely accepted decadence theory lacks validity, an obscure truth is revealed if we think of "the situation" as unique to each individual. Consider the typical person who is presently complacent, who views indifferently the events and happenings that disturb some of us. Now, let him see for the first time what many of us have seen all the time, namely, the outrages of strikes, riots, student destructiveness, drug addiction, government power on the rampage, or whatever.

To uncover the obscure truth in question, it is not neces-

sary to assume that anything has changed in events and happenings; the sole change, if any, is what this person sees for the first time, that is, a new and improved apprehension of the depredation and decadence. Merely a personal awakening on his part! Nothing in the external world has gotten worse, but in his mind events and happenings *seem* worse. It is only in this sense that "the situation" must get worse before it can get better. Let's see what *can* and sometimes does happen.

Among the countless persons who are presently indifferent or complacent, and who of a sudden become appalled by what they see, there will be a few who will put their minds to work; they'll start talking to themselves and, if they talk sense, others will listen.

I suspect that some of the finest talents for analysis, understanding, and exposition are today lying latent, and that from among these slow starters will emerge the best finishers. I believe that history would support this.

Refer again to Sarpi, the sixteenth century Venetian priest, whose analysis, reasoning, and expositions crumpled the mighty power combination of church and state, more entrenched perhaps than our own labor-state combine. Andrew Dickson White, a famous historian, writes of Sarpi:

. . . he fought the most bitter fight for humanity ever known in any Latin nation, and won a victory by which the whole world has profited ever since.¹

There doubtless must have been, before Sarpi's accomplishment, an enormous dissatisfaction with the church-

¹ See *Seven Great Statesmen*, *op. cit.*, p. 3.

state power structure, attended by no end of wailing, carp-
ing, fault-finding. But nothing came of this bickering until
the flowering of Sarpi's genius. Aroused, awakened, his po-
tential powers were unleashed. An amazing "situation" de-
veloped on the scene.

There is no end of examples. For instance, the evils of
mercantilism appeared so great in the eyes of Adam Smith
that all the genius in this great moral philosopher came to
the fore—alive, vibrant! According to the late Professor
Thomas Nixon Carver, Adam Smith's *The Wealth of Na-
tions* was second only to the Bible as the most influential of
all books in shaping Western civilization.² What a "situa-
tion"!

All I am saying is that there are potential Sarpis and
Smiths—latent geniuses—among us today who, when they
come to themselves, will produce an improved "situation,"
accomplishing what none of us so far has been able to do.

Who or where are they? Each person possesses aptitudes
and potentialities about which he himself is unaware. Thus,
this question cannot be answered by him, let alone by any
other. However, if each of us explores the individual self
diligently enough, a spark of genius may be discovered. In
any event, self is the only place to explore for genius. Who
knows what lies latent there!

² Henry Thomas Buckle in his *Introduction to the History of Civilization in England*, written in 1857-61, goes even further: "In the year 1776, Adam Smith published his *Wealth of Nations*; which, looking at its ultimate results, is probably the most important book that has ever been written, and is certainly the most valuable contribution ever made by a single man towards establishing the principles on which govern-
ment should be based. . . ." (London: George Routledge & Sons,
Limited), p. 122.

High time to awake

WILL the American people ever wake up to the causes and consequences of inflation? Ten years ago a lad of twelve sent FEE the earnings from his newspaper route—\$2.39—and added, “Enclosed also is a package of firecrackers *to wake them up.*” That bit of symbolism remains on my desk to this day as a reminder to keep myself awake. Saint Paul wasn’t referring to inflation, its causes and consequences, but his injunction comes to mind: “Now it is high time to awake out of sleep.” And, indeed, it is!

A friend’s chauffeur, while driving me to the airport, told of his pending retirement, of how carefully he had saved his earnings and how secure he felt for his senior years. It seemed little short of cruel to shatter his dreams, to point out to him the inflationary road we are on, to waken him from his sleep—an economic coma he shares with many.

Most people have been taught to think of inflation as a rise in prices. This use of terms is misleading for it takes the focus off the real problem. A rise in prices is not inflation but, rather, a consequence of inflation. Inflation itself is a *dilution* of the medium of exchange. Actually, it

differs from counterfeiting in two respects: (1) Inflation is legal and (2) the dilution is by the Federal government rather than by individuals.

For all practical purposes, inflation has its roots in the excessive expenditures of government. Whenever expenditures reach the point where it is no longer politically expedient to defray governmental costs by *direct* tax levies, governments will turn to inflation as a means of financing the resulting deficits. And it makes no difference what the expenditures are for—principled or unprincipled—be they for war, post office or other deficit operations, medicare or other so-called welfare schemes, full-employment programs, invoking a common justice, or whatever. It is that aggregate expenditure, whenever it exceeds the amount directly taxable, which induces politicians to indulge in money dilution.¹

Bear in mind that inflation is a tax, cruel and unjust, but a tax, nonetheless. It is an *indirect* tax that is not presented annually on a formal tax bill from the IRS but shows up later in a depreciation of savings and capital. Inflation takes the form of an erosion of capital assets, siphoning the

¹ Inflation is often ascribed to the "cost-push" of labor unions. This overlooks the key link in the chain. Should my gardener lay down the ultimatum that from now on it's \$100 a day or he'll not work for me and will use force to keep others from doing so, only one of two things happens, neither one of which is inflationary. I accept, in which case I am poorer; I decline, in which case he is unemployed. Here is the key: It's when labor unions get the government to pick up the tab—that is, to "hire" the people disemployed by their uneconomic practices that adds to inflationary prospects. The costs of the government's full employment program, promoted by labor unions, are enormous and increase the expenditure which is not politically expedient to defray by direct tax levies. A chamber of commerce that succeeds in obtaining Federal handouts is "pushing" inflation in the same way unions do.

capital into the Federal Treasury. A housewife, if awake to this legerdemain, knows what's going on when the same bag of groceries that once was \$5.00 is now \$10.00. We at FEE know what's going on when some additions to our workshop cost \$60,000 that not long ago would have been one-third that price.

Various Deceptions

There have been numerous schemes devised by governments to defray expenses not met by direct tax levies. Coin-clipping was an early device. This is no longer feasible because we have abolished coins having intrinsic value. What could the government gain by clipping our "salami" quarters!

Forcing the citizens to buy government bonds, later canceling the bonds, is a form of chicanery that "works" under dictatorships. Mostly, however, governments have resorted to larger and larger issues of irredeemable paper—merely turn on the printing presses!

The U.S.A. procedure does not differ in principle, but only in detail, from the printing-press method; however, it is so complex that hardly anyone can trace its workings. We *monetize debt*, that is, the more Federal government expenditures exceed income from direct tax levies, the more money we have. The more money we have by this process, the less is the value of each monetary unit; and when dollars are worth less, it takes more of them—meaning, of course, higher prices. Since 1939, for instance, our money supply has been blown up from \$36 billion to about \$200

billion! One doesn't have to be an astute observer to note that the dollar has lost and is continuing to lose purchasing value and that prices have risen and continue to rise.

Nor does one need to be a monetary theoretician to see where this road leads; no more than a cursory reading of history is required.

France suffered financial chaos under the "leadership" of John Law.² A lesson learned? Hardly! The sons of those who were ruined brought about an even worse debauchery of the money by repeated and ever larger issues of *assignats*.³

In my collection is a piece of paper—100,000,000 marks. In 1914, this many marks was enough to purchase more than 200 million loaves of bread. Only nine years later, when this bill was issued, 100,000,000 marks would not pay for a single loaf of bread!

On my first visit to Argentina I received two pesos for a dollar. In the meantime, the dollar has lost 60 per cent of its value. How many pesos can I now obtain for the cheapened dollar? 350!⁴ Suppose that several years ago you, like my friend, the chauffeur, had secured yourself: bonds, money in the bank, insurance, pensions, and the like. How would you feel now when such assets are practically worth-

² See *Extraordinary Popular Delusions and the Madness of Crowds* by Charles Mackay (New York: Noonday Press, 1969).

³ See *Fiat Money Inflation in France* by Andrew Dickson White (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, Inc., 1959).

⁴ This chapter was written a month before the money manipulators moved the decimal two points to the left, that is, they dropped off two zeros. As if the purchasing value of the peso were thereby improved. Aside from its appeal to general credulity, such trickery merely alters the bookkeeping.

less? Remember, Argentina has had no wars, only excessive expenditures for countless deficit operations, welfare programs, most of them "in the interests of the common man."

I carry a 50 cruzeiro note with me for show-off purposes when lecturing on inflation. It now has 1/1,000th of the purchasing value it had when I first visited Brazil. But why go on! Inflation's record is one of catastrophe, no exception.

No Hope in Gimmicks

History reveals another instructive fact. In inflation's early stages—when "creeping" and before "galloping"—hopes for fiscal soundness have always predominated over the fear of monetary calamity. Just as in the U.S.A. today! In France, for instance, at the time of the *assignats*, hope was founded on a constitutional democracy, a people's government—as distinguished from that awful monarchy under which John Law did his dirty work! The recordings of that period, as in all other instances, sound precisely like the political voices we are now hearing: "We know how." Debauchery is debauchery regardless of who "we" are, and that goes for the consequences, also.

If inflationary history is not to repeat itself in the U.S.A., what phenomenon must we look for in order to warrant a confidence in our economic future? The answer is clear: *Only when there is an effective consensus favoring a reversal in governmental spending*. That spending will have to be low enough so that it is again politically expedient to collect all the costs of government by direct tax levies. This, in turn, requires an understanding that the responsibility

of government is not to insure welfare, security, prosperity; its role is to invoke a common justice, codify the taboos against destructive actions, and enforce them; in a word, to keep the peace.

No confidence is warranted when the President of the United States asks for a 10 per cent increase in social security benefits because the cost of living is rising while, at the same time, the same government is proposing everything from more "welfare" to landing on Mars.

No confidence is warranted when most citizens are Janus-faced: deplored rising prices while imploring more "benefits." This is precisely the economic nonsense that has a perfect record of catastrophe!

Why, with all of our vaunted knowledge, is this happening to us? True, we have a great deal of knowledge not possessed by our ancestors, but when it comes to basic wisdom we appear to have made few gains, if any. In a word, we are the victims of the same passions and are as easily taken in by pomp and ceremony as were the Romans or the French or any other people at other times.

Always, in previous inflations, men with big names and fancy titles have assured the people that all's well. Is it any different now? Apparently not! Take a professor of economics with a Ph.D., for instance. He's supposed to know what he's talking about. Have him identified with a famous institution such as Cambridge University and then have his government bestow on him the impressive title of "Lord." Now, let this man tell the President of the United States that we can spend ourselves rich, and away we go! Somewhat lesser celebrities by the thousands join in this

chorus—take up the same theme—and it becomes believable.

Believable? Why? Because this siren song of something for nothing is what most people wish to believe. They let others form their beliefs for them and join the parade that promises the most for the least exertion. "The great bulk of people infinitely prefer the continuance of a problem which they cannot explain to an explanation which they cannot understand."

How wonderful were it possible for either you or me to make the explanation of inflation understandable! Perhaps if enough of us keep trying, one may sometime succeed. Success can never be claimed until there is an awakening.

There is this hope: Regardless of the shortcomings of our educational system, graduating many who may have the capacity but not the will to read and who cannot write or spell or even do simple arithmetic, there must be a million or two who could, if they put their minds to it, envision the disaster were everyone allowed to print legal tender at will. This is almost enough to grasp the inflation picture. And it's my guess that these necessary few will put their minds to this problem when they see that it's in their own interest to do so—and not before!

Cannot one of us make it clear that it is, indeed, "high time to awake out of sleep"?

Read's law

IT IS BECOMING more and more fashionable for probers into political economy to concoct a "law" and tack their name onto it. Doubtless this fad stems from such famous instances as *Gresham's Law*: "Bad money drives out good money." Or, *Say's Law of Markets*: "Production generates its own purchasing power."

This tendency among our contemporaries is a humorous way of presenting a serious idea, believed by each to be sound and original. Nor can I fault anyone for trying to have a bit of fun with what otherwise might be dismal and foreboding.

Perhaps the best known of the new ones is *Parkinson's Law*: "Expenses rise to meet income."

A book entitled *The Peter Principle* currently heads the best-seller list: "In a hierarchy every employee tends to rise to his level of incompetence."

Brozen's Law reads: "Most obviously true economic policy propositions are false."¹

¹ Yale Brozen, Professor of Business Economics, Graduate School of Business, University of Chicago. See *The Freeman*, June, 1968, p. 328.

Rogge's Rule tickles my fancy: "Whenever the government passes a law for your protection, take to the hills—because you are about to be had."²

The subject here, however, is *Read's Law*: "No politician can fly higher in office than he flew while getting there."

The Goal Is Freedom

This "law" has no meaning, of course, until we identify the point of reference for "higher." And the height to which I aspire is freedom; that is, no restraint against any creative action. In other words, freedom is my idea of high; socialism, statism—call it what you will—is my idea of low.

Without resort to the above point of reference, my "law" would have to be stated something like this: "No politician, after getting into office, can remove any more restraints against freedom than he promised to remove in his campaign speeches."

Let me relate how handy this "law" is. Over the years, I have known numerous aspirants for high office who, in private, endorse the freedom philosophy all the way—no exceptions! I am led to believe, "There's my boy!" Later, as I hear or read his campaign speeches, I find nary a word about the socialism he intends to repeal if elected. Indeed, only his political label seems to distinguish him from his socialist opponent. If such a candidate is sufficiently artful at vacillation, he's elected. Then, friends of mine hopefully ask: "What achievements for freedom are you looking

² Benjamin A. Rogge, Professor of Political Economy, Wabash College.

forward to from so-and-so?" I respond by repeating *Read's Law*: "No politician can fly higher in office than he flew while getting there." My questioners chuckle, reflect on the campaign speeches, and draw their own conclusions. I have answered them accurately without a single disparaging or offensive reference to so-and-so. No personal attack—just an incontrovertible fact revealed!

Bear in mind that my claim has to do only with an inability to fly higher, not lower. An officeholder's "ceiling" is set by his campaign speeches; he can *descend* to any level. I recall the campaign pretensions of an aspirant to our highest office. He flew higher than anyone since Grover Cleveland. But once in office, he fell into a sideslip and never pulled out of it.

The End Exists in the Means

Let me explain how I discovered *Read's Law*. The campaign manager of a candidate was my close personal friend. Because his man's speeches were socialistic, I was critical. "Why, he believes the same as you and I do," came the reply. "He has to say what he's saying to get elected. Once in office, he will practice what *we* believe." The contention was that his candidate would fly higher in office than he flew while getting there. But no one was able to prove that untenable thesis; when the last vote was in, the candidate had lost.

This experience led me to three important conclusions. The first is that no officeholder can ever overthrow any socialistic practice unless there is an enormous consensus

that it be done away with; otherwise, the practice is too tightly woven into the social fabric to be cast out by some political trick. Ridding our society of TVA or social security, for instance, is utterly impossible unless there be a general agreement for repeal. The candidates who never mention repeal in their campaign speeches make no contribution whatsoever to a new consensus. So, they have mustered no support for it, whatever their private views may be. They can never fly any higher than they flew while getting there! They are impotent. On the other hand, if they had been elected because of their advocacy of repeals, they would then have a popular mandate to so perform.

Second, the candidates who pretend privately to believe in freedom principles and who run for office on other than a clear-cut freedom platform, do not understand these principles; they do not *know* them! Conceded, they know *about* them and can recite the ideas quite impressively—as can actors. The reason that so many of us are deceived in our private talks with these men is that we cannot see into their minds as to whether or not they really apprehend the ideas behind their words. We can only know for sure what they believe when we see them in action—in their campaigns. Candidates who thoroughly apprehend freedom principles would not, indeed, could not do other than uphold them. When one *knows* a principle, its observation and practice is second nature.

Finally, let politicians who privately say they are for freedom, but who publicly espouse socialism in order to get elected, be faithful to their public pronouncements. Freedom will fare better this way. Exposing the fallacies of

socialism and explaining the principles of freedom cannot possibly be achieved except through fidelity. Truth can never be found by those or among those who practice disimulation.

Devotees of freedom have everything to gain and nothing to lose when campaign promises, regardless of how socialistic, are faithfully kept. We need only remind ourselves that no politician can ever fly higher in office than he flew while getting there. Furthermore, the advancement of freedom is not a matter of *who* wields political power over creative actions; rather, it depends upon the disassembling of such power.

*The "freedom" that leads
to slavery*

MY TITLE is inspired by a line from the film, "Caesar and Cleopatra." A slave, on seeing Caesar, rushed to kneel at his feet, exclaiming, "O, Caesar, I never knew freedom until I became your slave."

Here is a type of "freedom"—perverse, to be sure—toward which more and more people are ardently and avidly striving. We can readily recognize the slave mentality in its several, more or less unconscious, present-day manifestations once we discover what it is from which so many people are asking to be freed.

Many Americans harbor the common misconception that slavery is always an imposed servility: a Simon Legree or some other bully forcing helpless folks under his lash, an authoritarian taking advantage of persons incapable of defending themselves, the strong lording it over the weak. Doubtless, the blight of Negro slavery in this "land of the free" blinds us to situations when the initiative stems, not from the Legrees, but from those who shun self-responsibility. In other words, they choose slavery over freedom.

I see today many people from every walk of life demand-

ing slave status. The authoritarians or slave masters who will promptly respond to this display of servility are never in short supply. This is to say that the demand for authoritarians brings them forth; without such demand, those with authoritarian mentalities would be in ordinary—less pretentious—employments. It is the slave mentality that enthrones the authoritarian mentality! Rule, as distinguished from conquest, always rests on the consent of those ruled. Napoleon, Hitler, Mussolini, Stalin, and many others would never have risen to power had they not been wanted; these men had broad popular support.

Freedom from Responsibility

From what is it, then, that so many people are demanding to be freed? *From responsibility for self!* Instead of being each his own man, they wish to be *kept* men.

Every plea to government for this or that kind of succor illustrates the point. Shall I be responsible for my declining years? No, leave that to Big Brother. Sickness? Big Brother! Beautification of my city? Wages? Prices? Interest rates? Competition? Housing? Education? Libraries? Airports? Opera? Mail delivery? These and countless other responsibilities are delegated to Big Brother.

The *kept* man is by any sensible definition an enslaved man. Authority and responsibility are companions and go hand-in-hand; they can never be severed for long. Wherever responsibility is reposed, there sits authority in the driver's seat. When Big Brother is responsible for my life, then to Big Brother must I turn for instructions as to how to live

my life; I will be ordered how to live it. Nor can it be otherwise.

It is hardly lack of due process for the government to regulate that which it subsidizes.¹

Insofar as a person is regulated in his creative activities, to that extent is he enslaved. This can be phrased another way: To the extent that a person surrenders responsibility for self, to that extent is he enslaved.

Edmund Opitz makes a startling and a most discomforting point: "The horror of Orwell's *1984* society was not the meticulous tyranny of Big Brother nor the occasional tortures; the real horror lay in the fact that Big Brother's victims came through their ordeals loving Big Brother! There is a monstrous kind of fascination in power; powerful men and movements exert an obscene attraction on those who scramble to be where the wave of the future is cresting. Communism, from the date of its political ascendancy in Russia in 1918 to its domination over much of the world today, represents a success story of sorts. And success is hard to argue with. A successful movement or philosophy exerts a gravitational pull on those who want to be where the action is. . . ."²

On reflection, hasn't it always been thus? Millions of Frenchmen loved Napoleon; the devotion to Hitler was obvious. Even more discomforting is the fact that Ameri-

¹ United States Supreme Court, *Wickard v. Filburn*. 317 U.S. 111, p. 131, October, 1942.

² See *Religion and Capitalism: Allies, Not Enemies* by Edmund A. Opitz (New Rochelle, N. Y.: Arlington House, 1970), p. 22.

cans by the millions love the Establishment—our Big Brother—no less. However, what is to be expected from those who yearn to escape from the intellectual, moral, and spiritual rigors of self-responsibility—of being distinctively human?

Also, be it observed that these millions and Big Brother become allies—they depend on each other!

In contrast, consider those similarly restricted but *against their will*. These individuals, regardless of how tightly bound, retain their humanity by resisting. Their sense of self-responsibility does not diminish, nor does their thinking. Big Brother has no charm—none, whatsoever! And they so thoroughly dislike being "freed" from themselves, that is, from their faculties, that they can never be enslaved. Such persons remain essentially free men even under a dictatorship. And upon such inner strength rests our hope for a reversal of trends and a future in freedom.

The fiction known as "we"

"WE" know how to make supersonic planes, to release the atom's energy, to cure pneumonia, to construct a good society, "we" know this; "we" know that; on and on.

Admittedly, the accumulated knowledge of the ages is so fantastic that no living person has the slightest idea of its depth and magnitude. This knowledge is the luminosity—Creative Wisdom—previously referred to. Its composition—except for what's been lost—are all the discoveries, inventions, insights, ideas, thoughts since the dawn of humanity, and these run into incalculable trillions!

The authors? The "we"? Countless thousands—all the individuals over the millennia—who have made contributions to the grand aggregate! Bearing in mind that the outburst in numerous kinds of knowledge began perhaps 7,000 years ago, experienced a remarkable acceleration 2,500 years ago, with a breakthrough technologically beginning 200 years ago, and exploding during the past few decades, the "we" who made contributions of all kinds are still fewer among the living than among those who have passed on. Thus, when you or I say "we" know how to do or to make this or

that, the "we" includes a multitude of people, present and past. It's something like a single molecule exclaiming, "We molecules know how to make trees!"

This luminosity by which we live may be thought of as a deposit of all the knowledge that has ever been brought to the surface through the minds of men for human use and disposition. For the sake of simplicity, let's think of its composition as ideas—be they political, moral, or economic principles, inventions, discoveries, or whatever—and then reflect on the manner in which an idea finds its way into this magnificent, incomprehensible luminosity.

Numerous inventive geniuses—Thomas Edison, for instance—when asked from where ideas come, replied, in effect, "I do not know. They seem to come as if from out of the blue." The distinguished French mathematician, Henri Poincare, said of a discovery, "The idea came to me without anything in my former thoughts seeming to have paved the way." But even stranger is the fact that most ideas, whatever their source, are rarely arrested by the mind. "The infant mortality of newborn ideas is enormous." This is to say that ideas have the quality of evanescence; they're transitory, ephemeral. All of us have had ideas about which we have no more recollection than most of the dreams we have had. Indeed, some ideas impinge on the consciousness so lightly that they're gone before you can reach for a pencil!

Can I ever call an idea my own? Only in a vague sort of way! Most of the "new" ideas I have had turn up in works by others who have gone before, even several thousand years ago. While most of the ideas that have passed through my mind leave some trace, it is disconcerting to note the

many ideas that do not stay by me. For instance, when I reread one of my own books, I wonder, time after time, how I dealt with a point. So often am I a stranger even to me!

The above is only to suggest how mysteriously constituted is the over-all luminosity. To advance the claim that "we" know is relatively as erroneous as to insist that you or I know, demonstrably not the case. Indeed, when it is conceded that more ideas have been brought to the surface by those who have passed on than by we the living, I suspect that "we," as regards this phenomenon, are in about the same relationship to the luminosity as "they": I hardly know what has passed through my own mind and, definitely, I do not know what passed through theirs. Perhaps it can be said that all of us are media through whom ideas have been brought to the surface and added to the accumulation; at least, I am unaware of any better explanation. And whether "we" are present or past has far less to do with the matter than seems likely. The knowledge by which we live is preponderantly in the luminosity.

The Tradition of Freedom

What, then, is the nature of this luminous deposit? If not in the combined minds of "we," by what manner is it in storage and at our disposition?

These questions may not be answerable; yet, certain acknowledgments can be made. There are books, notations, blueprints, and recordings of ever so many kinds. There is memory which no one understands. Imitation plays its role. And then there is tradition, custom, ethos, mores, folkways,

inheritances.¹ Consider this: "Tradition in its broadest sense refers to knowledge and doctrines as well as patterns of behavior transmitted from generation to generation. More specifically, *tradition* means a particular observance so long continued that it has almost the force of law. . . ."²

I infer from these observations that this over-all luminosity—Creative Wisdom—is stored far more in our "second nature" than as pigeonholed, retained data in the minds of individuals. If there were no more to live by than the aggregate knowledge, specifically and precisely indexed and stashed away in our personal, mental filing systems, humanity would not be a going concern! I know that all I actually know is infinitesimal. And I am also certain that everything all of us in the aggregate know is still infinitesimal. "We" do not know over much. But most of us think "we" do, the reason being that we regard the luminosity as the sum total of what you, I, and our contemporaries are aware of. The luminosity is incalculably more than that sum total. In any

¹ It is impossible to appreciate fully how extensive these inheritances are or to recognize our dependency on them. Henry Hazlitt, referring to language, only one among the inestimable conferments of the over-all luminosity, writes, "I am more and more impressed as I grow older, with how little the individual could accomplish in any direction whatever if he had to depend entirely on his own unaided efforts. . . . He could not think at all (or maybe at the level of a chimpanzee) if he did not inherit from the society and civilization in which he was born the priceless gift of an already-created language. Without this he would not only be unable to reason logically, he would have nothing worthy to be called a 'concept.' He could not frame a sentence; he could not even name things. We think in words, even in conversations. Our language, concepts and logic are part of the social inheritance of all of us." See *Thinking as a Science* by Henry Hazlitt (Los Angeles: Nash Publishing Corporation, 1969), p. 137.

² See *Modern Guide to Synonyms* by S. I. Hayakawa (New York: Funk & Wagnalls, 1968), p. 634.

event, this overassessment of "we" is a glaring error and the source of mischief. It is the genesis of an authoritarianism which, to the extent it exists, dims the luminosity.

Authoritative Thinking

It seems hardly necessary to dwell on the point that know-it-allness is the stuff from which authoritarians are made. Any person aware of his limitations has nothing he wishes to impose on others. But anyone who thinks he knows all is irresistibly drawn toward filling us in with his "superiority." Indeed, know-it-allness can be quite accurately assessed by merely observing how authoritarian an individual is.

Thus, when members of society get it into their heads that they know what in fact they do not know, we have the makings of an authoritarianism, more dangerous than is ordinarily the case because there is so little recognition of the type of know-it-allness here in question.

A single instance will suffice to illustrate how a belief in knowing what we do not know leads to authoritarianism: "We" know how to construct a good society.

I don't know how to lay down the design for a good society any more than I know how to make a supersonic plane. Nor does anybody else, or any combination of anybodies. Such knowledge is in the over-all luminosity, not in "we." But when we think we know what "we" do not know, countless politicians and others among us will advance their schemes with coercive or authoritarian backing. Do we need samples of these people designing a good society? There are a thousand and one all about us: Dilute the medium of

exchange, that is, inflate the money; feather the nests of some at the expense of others; manipulate wages and hours and working conditions by coercive strikes; rebuild deserted downtowns to absorb the resulting unemployment; spend and spend and spend, on and on and on!

When people do not know how little they know, they'll effectuate their nonsense by force!

The good society, instead of being some planner's dream or blueprint, is the upshot, outcome, effect, recapitulation of intelligent and righteous citizens. To attempt an alteration of the "upshot" is to ignore causes and to tamper with effects. As futile as trying to reshape the mushroom cloud that results from an atomic explosion!

Yes, societal architecting is futile—and harmless, too, so long as the designers only dream. But when coercion is used to implement the dreams, a trait of those who don't know how little they know, the luminosity dims; society is fractured. Nor is it difficult to see why.

The Freedom to Think

Return to ideas. Slaves are not noted as media through whom ideas are brought to the surface. And people who are dictatorially directed as to how they employ themselves, what and with whom they may exchange, what they can freely say and write, and so on, rarely indulge in concentration; they are otherwise too much occupied for ventures of the mind, for abstract thought.

Given a world of people thus regimented and the lumi-

nosity loses its sources; it can no longer become brighter, only dimmer!

But there is more. As a people are increasingly brought under coercion and come to rely on what is meted out to them, that is, as they substitute the will of authoritarians for self-will, their faculties atrophy, including the faculty of perception. The luminosity is there for those who can see it but it does not exist for those who cannot. In a word, the luminosity dims as the eye goes blind. Think of the primitives in the world today who are unaware of this luminosity. For them it is as nonexistent as a star not yet discovered. The same can be said for people who are made to bear the yoke of authoritarianism.

Lucky for us that the luminosity is more in our "second nature"—traditions—than exclusively as retained data in the mind of each. Were it the sum total of the latter, authoritarianism would put an end to this glorious light, and quickly! But traditional ways of thinking, of doing things, of cooperating and competing with and respecting each other, combine into a lot of muscle; tradition is tough; it's difficult and slow to demolish. It is tradition as the carrier of the luminosity that gives us time to regain our bearings, to come to ourselves, and to realize that Creative Wisdom is a phenomenon that flourishes only among free and self-responsible men.

Civil obedience

WHAT a refreshing experience! The seventh annual Undergraduate Seminar at FEE had just ended—38 well-chosen young men from 19 states and 30 colleges. It would be difficult to imagine a class or group more sincere or eager to learn the ways of freedom than these, our student guests.

There were questions! Most of these questions weren't new, but this one seemed to pop up in the discussion sessions more than ever before: "*Am I not warranted in breaking an immoral law?*" It wasn't how to answer that bothered me but rather the persistency and frequency of the question. Why? What accounts for this growing rebellion?

After much reflection, I conclude that this is but a phase of action and reaction. An extreme action has a natural tendency to evoke an extreme reaction: the further a pendulum is moved to the left and released, the further will it swing to the right—action and reaction. In this case the extreme action is an ever-increasing socialism, the politico-economic pendulum pushed more and more to the left. The instinctive or natural reaction to this is equally extreme: anarchy! This is to say that lawbreaking—each person a law

unto himself—tends to increase in proportion to the multiplication of laws and state intervention.

Three thoughts come immediately to mind. First, how is an immoral law to be defined? To me, any law that feathers the nest of some at the expense of others is an immoral law. However, I find mine to be quite a minority view these days. Does the propriety of breaking a law hinge on whether or not a person believes it to be immoral? But contemporary ethical standards vary so that no law will pass everyone's test of morality. Therefore, I am obliged to question this "morality" criterion as a green light to go ahead and break the laws of the land.

Second, this anarchistic reaction to socialism is an emotional, instinctive response—no more rational than is the swing of a pendulum.

And, third, we must never dismiss this matter of law-breaking lightly; it is extremely serious. At least from my chair at the discussion table, I see an enormous anarchistic reaction to the growing socialism of which campus strife is but an annoying symptom. And back of it all—giving the movement a false dignity—are an increasing number of persuasive writers and speakers flaunting the labels of scholarship. Identify them yourself: those who deny any place for government—a formal agency of society—or who teach law-breaking. Anarchy—unplanned chaos—is approaching epidemic proportions and is no more desirable than socialism—planned chaos.

It should be recognized, of course, that every citizen breaks laws, if for no other reason than the staggering number of laws. Many of these laws are unknown to most peo-

ple; no person knows them all. For instance, I just observed a newcomer to air flight taking a nip from his own bottle and probably unaware that there's a Federal law against this. Or, to skip from a little law to a big one, there is no one in or out of government who can reliably assure a business firm that it is not breaking the antitrust laws.

But these infractions do not fall in the same category as out-and-out, conscious, deliberate breaking of the law as a principle of appropriate conduct. There is a marked distinction between a rational respect for law and order and an intentional flouting of all laws a citizen believes to be inconsistent with his own concept of good and moral.

When to Revolt

Very well! How does one answer the student who asks, "Am I not warranted in breaking an immoral law?" The following satisfies me, though it may be no one else's answer.

I shall respect the law, be it moral or immoral, liked or disliked—that is, I shall not condone breaking the law as a principled action—until I am ready to turn revolutionary and advocate the overthrow of government. This is a quantum leap, and one must seriously ask: When is this switch warranted? In other words, what is my criterion for turning revolutionary or anarchistic?

If one turns to the Declaration of Independence he finds:

. . . that whenever any Form of Government becomes destructive of these Ends, it is the Right of the People to alter it or abolish it, and to institute new Government. . . .

While the framers of this political document had in mind the oppressive laws imposed on the colonists by King George III, the grievances listed are hardly distinguishable from the oppressive laws imposed on us by our own government. According to the Declaration, I should have turned revolutionary several decades ago. However, I reject that criterion.

Parenthetically, I am more and more amazed at the exceptional consequence of the American Declaration of Independence: our Federal Republic. The more I study the history of revolutions, the more evident is an opposite result: the replacement worse than the government overthrown!¹ This is to say that turning revolutionary is not the way to societal improvement.

Here's another popular criterion: Numerous constitutional lawyers have argued that we are warranted in coming out for the overthrow of government whenever it becomes capricious. Were we to act on this, we would now be long-time revolutionaries. But this is not acceptable to me, either. What, then, is my guide?

I shall respect the law—obey it as best I can—so long as the channels of communication remain open, which is to say, so long as I am free to speak my piece and write about it. I shall never go underground—break law as a matter of principle—until remaining above ground becomes impossible. *That's my criterion!*

I believe this criterion to be sound in principle, and practical as well. Indeed, whatever is sound in principle is always practical; it works, as we say.

¹ Perhaps Edmund Burke had the explanation: "a revolution not made but prevented."

In the first place, we can eventually win the case for the essentially free society if we are not effectively silenced. How not to be silenced is of prime importance.

Look at our problem this way: When we live with the laws we're stuck with, our presentations of the freedom philosophy cannot be discounted or rejected on grounds that we are outlaws; indeed, our respect for law and order may well engender a corresponding respect for our commitments to freedom.

Those of an anarchistic persuasion, on the other hand, the ones who flout law and order as a matter of principle, cannot logically or convincingly present the case for freedom in society. And for the simple reason that they stand openly in defiance of civilization, at least, as I define it.

There is no one—even among the revolutionaries—whose distaste for the plethora of oppressive laws presently on the statute books is greater than mine. The remedy, however, is to repeal these laws, not break them.

It takes no intelligence whatsoever to break the law; anyone can do that. But the repeal of oppressive laws calls for all the wit, skill, and genius man can muster, the kind so brilliantly exemplified by Sarpi and Adam Smith. (See pages 126-27.)

Lawbreaking merely adds to the existing confusion. Repeal of oppressive laws, on the other hand, calls for a new and enlightened consensus. If an idea or action does not lead to enlightenment, it is worthless, if not destructive.

This is my answer—and challenge—to inquiring students. And I sign it, not "Your obedient servant" or "Long live the King," but "Respectfully yours."

*Patience! It's brighter than
you think*

FEW OF US can forget the thrill of our first flight in a plane. Viewed from a height of ten thousand feet it's a different planet. Quite a contrast to the earth as seen from eye level! Now, most of us, when we scan our politico-economic world, are earth-bound; we observe that things are all askew and we become despondent. Despondency is failure's faithful ally, and we're tempted to give up the ghost. To keep our chins up, to give the practice of freedom a 50-50 chance, change perspective! We need the faith to climb one step higher and observe what's in the making in the midst of all the turmoil. Then we can report: "It's brighter than you think."

In a previous chapter, I tried to emphasize that there isn't the remotest possibility of getting results here and now except as more and better creative thinkers, writers, talkers of the freedom philosophy come into existence. That such an intellectual windfall will happen all of a sudden—drop down on us as manna from heaven—is hardly a reasonable expectation. Even though intellectual achievement be the best and quickest of all possible ways to human improve-

ment, it possesses no overnight magic. Such millstones as these grind slowly.

However, once we realize that these millstones inexorably grind on, turning out good grist if the grain fed into them be of the best, the future is bright. For the grain now being fed in is reasonably good and also rather plentiful: there are among us today some inestimable number of individuals—perhaps 10,000—whose understanding of the freedom philosophy is rapidly on the upgrade, excelling in number and quality anything that has previously existed. Such an assessment—and I believe it to be a sound one—provides assurance that the way of life founded on individual liberty is on the increase and, in the long run, will surely prevail. The occasion warrants a cautious optimism.

Impatience is not only the mother of the current pessimism and despondency but it also accounts for the many drop-outs. This impatience, however, is seen to be irrational once we grasp the nature of the remedial process. To continue the analogy, it's like being impatient because the grist doesn't emerge before the millstones have completed a full revolution.

The Germination Process

The kernels of grain in our problem are ideas. Let's reflect on the process they have to go through before becoming grist for the freedom way of life. In a word, look at the process as it is.

The Greek, Heraclitus (536-470 B.C.), observed: "Man is on earth as in an egg." Which evoked a response from

C. S. Lewis: "Now, you cannot go on being a good egg forever; you must either hatch or rot." Heretofore, I have thought of this as merely amusing; now I see how profound a thought this is—this concept of hatching, referring, of course, to intellectual, moral, and spiritual emergence; in essence, the hatching of ideas.

Ideas, when first encountered, particularly the more abstract and unfamiliar ideas, are not apprehended instantaneously. The reader or hearer who merely repeats an idea new to him has not grasped it. *Apprehension does not take place until an idea penetrates into one's bones*, so to speak. Here is how the process seems to work: an idea insinuates itself into an individual's subconscious or whatever it is—some womb of the mind—and is usually forgotten. Thus tucked away, it goes through a period of gestation, for moments or days or months or years. Then, if it does not die in embryo, it will emerge as an original, that is, as one's very own.

This concept of how the process works was an "original" of mine only yesterday. After writing it, there came dimly to mind the word "fester" as once used by Albert Jay Nock. Checking on this, I found the following paragraph:

If, for example, you are a writer or a speaker or a preacher, you put forth an idea which lodges in the *Unbewusstsein* [in effect, the subconscious] of a casual member of the Remnant and sticks fast there. For some time it is inert; then it begins to fret and *fester* until presently it invades the man's conscious mind and, as one might say, corrupts it. Meanwhile, he has quite forgotten

how he came by the idea in the first instance, and even perhaps thinks he has invented it; and in those circumstances, the most interesting thing of all is that you never know what the pressure of that idea will make him do.¹

I first read Nock's paragraph well over 30 years ago. Observe that, except for Nock's elegant phrasing, he is saying precisely what I am trying to say. Also note the period of gestation before this idea became my own. Lucky for me that I can acknowledge the source; otherwise, I might be accused of plagiarism.

Here's another: Some years ago, a trusted and scholarly friend gave me a book, *The Crisis in Human Affairs* by J. G. Bennett, and commended it highly.² I was revolted by Bennett's thesis, put the book on the shelf, and promptly forgot it. Six months later, on the phone with my friend, I announced, "I have a new idea, Bill." Curious, he asked, "What is it?" Following my explanation, he remarked, "Why, Len, that's the idea in Bennett's book." I had, quite unaware, done a complete flip-flop following a rather brief gestation period.

Still another: In the late forties when there was much talk about "putting teeth" in the United Nations and other proposals for world government I dissented. My rebuttal was founded on the observation that a world government would no more govern nations than our Federal government governs the State of New York, or New York governs

¹ See *Isaiah's Job* by Albert Jay Nock. Copy on request from The Foundation for Economic Education, Inc., Irvington-on-Hudson, New York 10533.

² Published by Hermitage House, New York, 1951.

Westchester County, or Westchester governs the Village of Irvington. These several layers of government do no more than govern individuals. I have too much governance over me already without inviting any more.

My FEE associates and others proclaimed this an original idea—convincing! Several months afterward, Dean Russell came to my desk with *The Federalist Papers*. “Do you remember that original idea of yours? Read this!” It was a paragraph by Alexander Hamilton and was nearly word for word of what I had written.

I had read *The Federalist Papers* only once, not at all studiously, at least three decades earlier, and at a time when, for the most part, I but dimly understood what Jay, Madison, and Hamilton were writing about. This idea lay inert for three decades, “festered,” and finally hatched as my very own.

Not a Thing New

These experiences merely testify to the Biblical pronouncement, “. . . there is not a new thing under the sun.” Tomorrow a galaxy may come into telescopic view for the first time, but not because it’s new; the galaxy has been there for billions of years.

Similarly with ideas. The only thing new about an idea is its newness to any one of us. And it is never new prior to the point of apprehension—that is, until it has hatched and, thus, has become one’s very own.

Once it is recognized that an idea cannot become mine or anyone’s until it goes through some indefinite period of ges-

tation, impatience with the “catching-on” process is no longer tenable. To acknowledge that the necessary ripening takes time merely aligns us with reality—this is the way it is! Thus aligned, we can productively and happily strive for quality and purity of thought, fully confident that the truth will out in the fullness of time.

How, then, should we view the time dimension as we go about “getting results”? Getting results on behalf of the freedom philosophy here and now, in this context, is any shift toward enlightenment that takes place in a lifetime. Patience!

Index

Prepared by Vernelia A. Crawford

The letter "n" following a figure refers to a footnote.

A

- Action, 1-4, 142
- Activist programs, 27-34
- Affluence, 89-97, 104
- Americanism, 113
- Anarchy, 153
- Argentina, 131

B

- Bastiat, Frederic, 41, 43, 45
- Beans, commodity of, 62-70
- Bennett, J. G., 159
- Böhm-Bawerk, Eugen, 83, 84n
- Brozen, Yale, 135
- Buckle, Henry Thomas, 127n
- Burke, Edmund, 151n

C

- Capitalism, 65, 89, 104
- Cartels, 69, 75
- Carver, Thomas Nixon, 127
- Charity, 103

Cheering, 5-8

- Civil obedience, 151-55
- Clayton Anti-Trust Act, 62n
- Coercion, 82, 87, 150
- Collective bargaining, 77
- Commodity, labor as, 62-70
- Common man, 108-12
- Communication, 32, 154
- Communism, 142
- Competition, 11
- Comte, Auguste, 98
- Confucius, 25
- Conscience, xi
- Conservatives, 1
- Creation, 12, 113
- Creativity, 2, 54, 144, 147

D

- Debts, 100, 129
- Destiny, direction of, 5
- Destruction, techniques of, 2
- Dicks, Russell, 17n
- Divestments, 74

E

Economics, art of, 15
 Education, 20
 Education vs. propaganda, 19-26
 Emerson, Ralph Waldo, 45
 Enlightenment, economic, 93
 Evolution, course of, 12
 Exchange, 82, 94
 Excellence, pursuit of, 9-18

F

Figgis, John Neville, 31n
 Foundation for Economic Education, 1, 27, 120, 151
 France, problems of, 52, 131
 Freedom

arguments for, 1, 28, 40-47
 communication and, 32, 154
 conscience and, xi
 defined, 29, 58
 denial of, 48-55, 104
 exceptions to, 35-39
 faith in, 156-61
 judgment and, xi, 50
 politicians and, 136
 restoration of, 30
 second nature of, 56-61
 slavery and, 140-43
 voluntarism and, 45

G

Good society, 148
 Government
 anarchy in, 153
 authoritarian, 50, 148
 Church and, 57
 coercion in, 82, 87, 150
 communistic, 142
 debt, 129
 dependence on, 141
 expenditures, 129
 French, 52, 131

inflation, 52, 128-34
 intervention, 50
 investments, 73
 lawbreaking, 151
 role of, 42, 43
 socialistic, 1, 35, 41, 104, 136, 152
 subsidies, 111, 140
 taxation, 129
 welfare state, 104
 Gradualism, fallacy of, 38
 Gresham's law, 135
 Guilt complex, 104-107

H

Harper, F. A., 78
 Hayakawa, S. I., 147n
 Hayek, F. A., 11n, 27, 93n
 Hazlitt, Henry, 15, 147n
 Heraclitus, 157
 Husbands, Sam H., Jr., 45

I

Ideology, 144, 157
 Immorality, 151
 Imperfection, 27, 40
 Individualism
 destiny, 5
 interdependence, 147n
 practice of, 101, 104
 rights, 98-103, 113
 self-improvement and, 1, 9, 24-26, 124
 self-responsibility in, 54, 101, 109, 140
 situations of, 6n, 108, 124, 127
 Industrial Revolution, 93
 Inflation, 52, 128-34
 Investments, 73

K

Knowledge, accumulation of, 144

L

Labeling, 98
 Labor
 collective bargaining, 77
 commodity, 62-70
 defined, 64, 68, 71
 games, 71-80
 right to, 94
 theory of value, 59, 82, 84, 86, 95
 unions, 73, 129n
 wages, 63, 77
 Language concepts, 147n
 Law, John, 131, 132
 Law, concept of, 43, 151, 135-39
 Lewis, C. S., 158
 Libertarianism, 42, 120
 Lincoln, Abraham, 26
 Lump thinking, 119-22, 123

M

Mackay, Charles, 131n
 Magnetism, 13
 Maimonides, Moses, 25
 Marginal utility, 83, 84
 Marx, Karl, 71, 74, 93
 Menger, Carl, 83
 Mises, Ludwig von, 51
 Monopoly, 69
 Montaigne, 25
 Moon investments, 73
 Morality, 54, 91, 151
 Mosher, Ira, 62n

N

Nature, ways of, 20
 Nock, Albert Jay, 158, 159n

O

Objective theory of value, 86
 Officeholders, 136
 Opitz, Edmund, 142
 Organizations, power in, 113-18

Ortega y Gasset, José, 60n, 89
 Orwell, George, 142
 Ownership, 72, 76, 94

P

Parkinson's law, 135
 Perfection, 27, 40
 Philanthropy, 103
 Plato, 96n
 Poincaré, Henri, 145
 Poirot, Paul L., 111n
 Police power, 42
 Political labels, 98
 Politicians, direction of, 136
 Poverty, 91
 Pricing, 52, 65, 84, 128
 Production, 71, 78
 Profit, kinds of, 46
 Proletariat, 71
 Propaganda, 19-26
 Property, 72, 76, 94
 Protectionism, 43
 Proverbs, 25

R

Read's law, 135-39
 Reform, theory of, 123-27
 Religion, 12, 25, 57, 113
 Rogge, Benjamin A., 48, 136
 Russell, Dean, 160

S

San Pedro of Alcantara, 25
 Sarpi, 57, 126
 Saving, 66, 73
 Say's law, 135
 Self-improvement, 1, 9, 24-26, 124
 Self-responsibility, 54, 101, 109, 140
 Sennholz, Hans F., 50n
 Sharpless, Isaac, xi
 "Situations," 6n, 108, 124, 127
 Slavery, 91, 140-43

- Smith, Adam**, 95, 127
- Social security**, 111
- Socialism**
 - acceptance of, 35, 41, 104
 - criticism of, 1, 152
 - politicians and, 136
- Society**, 6n, 27-34
- Socrates**, 25
- Spending**, 65, 100, 129
- Statism**, 50, 52, 104; *see also Government*
- Standen, Anthony**, 13n
- Subjective theory of value**, 59, 82, 84, 95
- Subsidy**, 111, 140

- T**
- Taxation**, 129
- Thinking**
 - categorized, 119-22, 123
 - defined, 29
 - outcome of, 144, 157
 - perfection of, 40
- Truth and error**, 40, 119

- U**
- Universality, principle of**, 16

- V**
- Value**
 - dilemma of, 81-88
 - judgments, xi
 - objective theory of, 86
 - subjective theory of, 59, 82, 84, 95
- Vienna Opera**, 35
- Voluntarism**, 45

- W**
- Wages**, 63, 77
- "We" fiction**, 144-50
- Wealth, road to**, 89-97, 104
- Welfare state**, 104
- White, Andrew Dickson**, 53n, 57n, 126, 131n
- Wickard v. Filburn**, 142n
- Wilde, Oscar**, 49
- Williams, Roger J.**, 109n